

The departmental budget review reconvened on March 31, 2014 at 9:05 a.m., and proceeded as follows:

**Department of Public Works – Operating & CIP**

Honorable Tim Bynum  
Honorable Mason K. Chock, Sr.  
Honorable Gary L. Hooser  
Honorable Ross Kagawa (*excused 1:36 p.m.*)  
Honorable JoAnn A. Yukimura  
Honorable Jay Furfaro, Council Chair (*excused 3:02 p.m.*)

Excused: Honorable Mel Rapozo

Chair Furfaro: *Aloha*, and good morning. This is March 31<sup>st</sup>. We have submitted an order of the day as it relates to calling back from recess the budget session. Again, for those that do want to give testimony, I will accept testimony in the morning. On the order of the day, we do have posted the agenda items dealing with Public Works today and tomorrow will be Capital Improvement Projects (CIP). So on that note before we start again, is there anyone in the audience who wishes to give testimony this morning?

LORI L. MARUGAME, Council Services Assistant I: Chair, we have one registered speaker. Glenn Mickens.

Chair Furfaro: Thank you. Glenn.

GLENN MICKENS: Thank you, Jay. For the record, Glenn Mickens. I have three testimonies since they do not come on the agenda...or have not been on the agenda for a long time, this is I guess my chance to go over them. The first one is the bike path. There have been a multitude of questions about this past site since its inception 12 years ago with no answers forthcoming. Let us review a few. How does the total length of the path keep changing from the original 23 miles proposed to the reported 16 miles by The Garden Island in Monday's paper? When the paving our County road 20 feet wide by 1 mile long will cost about \$147,000 then by using the same formula a 10 foot wide path should cost about \$73,000. This path is costing an unbelievable \$5 million a mile, over that. For the one eighth of a mile of the Wailua Corridor the cost was \$2 million or over \$15,000 per mile. How can that cost per use ever be justified? The State highway project for 2 miles by Kaua'i Community College (KCC) cost under \$1 million a mile when considering the total material and labor used for the project, which includes off-ramps, curbs, sidewalks, center dividers and a path? The traffic mitigation this project has accomplished compared to the cost use benefit from the path is staggering, absolutely no comparison. How does the use of this path change from a transportation path to satisfy the TE qualifications that say that the path shall be used for transportation and not recreation to a dog-walking path as used today. Finally the Councilmember who has pushed this path from the beginning once said it would take vehicles off the road and lessen the carbon monoxide going into the air. This has never happened and will never happen as people will continue to use their vehicles for their transportation needs. Our time, resource, and money should be used to build alternate roads and not a recreational path that is costing a fortune to build. Where is the local, State, and Federal oversight to find out where this obscene amount of money is going to build this path? Why no accountability? Seven, it takes over ten years to build this 7 miles of this path, so if ever completed a big "if" since Fed funds are drying up, it would

take 30 years or more to complete. Even the Department of Highways that have done a master plan of the segment of the path from the Nāwiliwili to Lydgate have cut the major part of this project from their plan. Eight, I am not opposed to bike paths per se, but this path was planned wrong from the beginning and is trying to be retrofitted into an area already built which is causing outrageous money and delays. Again, insane planning. Nine, the rules of this path say no motor vehicles shall be permitted on it. Yet, vehicles drive and park on it by the Kapa'a Neighborhood Center creating a hazard for use and even has a driveway over there by the Safeway Shopping Center. Let me end by quoting from an editorial by the retired lawyer Walter Lewis once wrote on 04/13: "we must recognize that no definitive accounting has ever been given on the cost of the completed portion of the path, a shameful disregard of the rights of our citizens to know how our government expends taxpayer funds and the future cost for the completion of the path remain obscured." For anybody that likes this path, thinks it is great, why is anybody not concerned about the obscene amount of money that we are spending for it? That is my biggest complaint.

Number 2, I want to talk about our roads. I have testimony about our roads. Over a month ago I testified before this Council about the horrendous condition our roads are in. I even gave copies of my testimony to my friends Larry Dill and Ed Renaud. The roads I brought have not been touched and I still see cold mix and asphalt concrete (AC) being dumped and wasted in potholes to be washed away in the next heavy rains. For three years we did not resurface our roads even though this Council approved the roads resurfacing budget each of those years. As I told Larry, since our latest contract with Grace Pacific shows that our roads are finally being done by Hawai'i Asphalt Paving Industry (HAPI) or American Association of State Highway Transportation Officials (AASHTO) standards which will cost more money up front but save far more money on longevity. This modus operandi (MO) may be very good. However, I walk and drive all over the Homesteads area and have yet to see resurfacing of any kind going on. Realistically I know that only the high-usage, bad-conditions roads will ever get resurfaced. At least if we keep politics out of the picture is what should be done and since no records were kept on the sub bases of the paving of these 300 miles of roads or will core holes ever be taken on all of them to indicate what was previously done? I want to know why Kahuna Road was resurfaced, 2 miles of it, when it did not need it. The northern part of the road was repaved a few years ago but it is about 12 feet wide and should have been made wider before resurfacing to build it up to County Code. A section of lower Waipouli Road and I do not know if you have driven over that, over a culvert ten years ago a section fell in. The fix was to put a metal plate over the hole and that is the way it is still today. Not fix the road or do anything about it...but leave a metal plate over the top of it. Where is the oversight to see that the jobs are properly done? Let us be realistic, Larry will need had a huge budget to even scratch the 300 miles of roads that need attention, but people are screaming, read the Letters to the Editor. There was one in there today a lady wrote about the roads and how bad the condition and throwing your cars out of alignment. I am not sure if she was completely correct but...many more have been... About the County roads and State roads that need work. So what is going to happen? Larry has shown slides of our roads deteriorating to a greater degree with no proper maintenance resurfacing so action must be taken and soon. Had all of these roads been properly maintained as I have complained about 15 years there would not be this huge backlog of work to be done. When a road about 1,000 feet long going into our Kapa'a Transfer Station that is used by a thousand cars and trucks cannot be resurfaced, I have complained about this for months, then something is very wrong with you our system. Finally...

Chair Furfaro:

Hold on Glenn, let me change the allocation.

Mr. Mickens: Okay. This is my last testimony.

Chair Furfaro: I will give you another moment.

Mr. Mickens: Thank you. This is about two-lane and one-lane bridges. Since there has been no resolution I am aware of to the two-lane bridges versus the one-lane bridge on Kaua'i, I am compelled to bring this issue up once again. I fully understand Section 106 of the Federal Code regarding the historical importance of bridges and this Code must be looked at. But I also have factual statistics from Alvin Takashita, State Highway Engineer and JoAnn you have a copy of that verified by the Kaua'i Police Department (KPD) and Glenn Okimoto, Director of Transportation, there are two times more accidents on one lane bridges than there are on two-lane bridges. Can my friend Larry Dill or anyone else tell me that any law, Federal, State, or local should be made to have the historical importance override the safety of the driving public? Today the Feds will not build bridges unless they are two-lanes for safety purposes, so why should we even consider rebuilding the Pu'uopae and Opaeka'a Bridges one-lane? Sure 106 may have to be looked at, but when overriding evidence shows that accident rates on these one-lane bridges are double of what they are on two-lane bridges, then why consider building them one-lane? Especially since the Feds never build them one-lane today. These two bridges with issues, Pu'uopae and Opaeka'a go back to 2003 when our late Mayor Baptiste had them in the final design stages and wanted them built two-lanes, when a group of "feel-gooders" got the projects stopped because of historical purposes and cost the taxpayer \$189,600. This project was time sensitive and thus the money was forfeited. As we sit here 11 years later, costs continue to escalate senselessly to keep delaying these projects when again, no one should ever preserve historical importance over safety. If I am wrong, then someone please tell me why this statement is not true? Look at Section 106 but you engineers will make the final decision and I cannot believe that the Feds who mandate that all bridges today be built two-lane would make you build them one-lane. I appreciate you allowing me to give testimony and I hope that I am not just talking in the wind. I hope that some of you members will at least consider what I am saying here and again if I am wrong, tell me where I am wrong or tell me where the statistics are wrong. If you want these statistics from the Department of Highways and KPD showing the accident rates on these bridges, I would be happy to provide them to you.

Ms. Yukimura: Question.

Chair Furfaro: JoAnn.

Ms. Yukimura: Glenn, I heard three testimonies, I only have two. Do you have one that I do not have?

Mr. Mickens: Yes, I forgot to give you the copy about the Bypass.

Ms. Yukimura: Could we have a copy of that?

Mr. Mickens: Yes.

Ms. Yukimura: Thank you.

Chair Furfaro: Any further questions? Thank you, Glenn. Is there anyone else who wishes to testify today? I will give you your six minutes upfront and no additional time, please.

JOE ROSA: Good morning, members of the Council, for the record, Joe Rosa. Again I am here to testify against...to do with the bike path, the road system, and those two bridges out in Wailua Homesteads. This bike path...ever since that thing got started, that is when our road resurfacing and reconstruction went down the drain. Think about it. Go back to when that thing got started. 2004. Isenberg Tract subdivision, the road was supposed to be paved. What happened? It was shelved like everything else as far as resurfacing and paving being done. Only for a select few people and the rest of the majority of the people were always saying we need things to be done with the infrastructure of this island, namely the County road system. It was in a chaos, because it was neglected for all of these years with a bike path that goes to nowhere and I think it should be stopped until the County coffers are built up. It is only for recreation, that is what it is going to be used for. Not transportation. Doug Haigh sat on this chair here and said that it is going to relieve the traffic situation in Kapa'a Town and get the bikes out of the town. I do not see any bikes at all. There was no rationale to the fact to build these things except for a select few people. At that time, Doug Haigh told me "no worries" and of course the late Mayor Bryan Baptiste. It was only for a few select people, not for the majority of the people that always saying that they are choked with traffic or stuck in traffic. It was only a few people who were satisfied. The bicyclists like JoAnn who does not even ride her bike today. She was one of the proponents who pushed on it when I started the first shoulders job which was eventually used as a bike path from KCC to Halfway Bridge. Where is her bicycle? Where is her bike rack that was built special for her in front of the County Building here? So all of these things. So it has not proved anything. You think about it and you look at the traffic jam in Kapa'a Town. I do not know if Mason Chock was here when it got started, but yet it has not improved the traffic situation. It took me half an hour to go from the Kapa'a Shopping Center signal light to the one at Foodland. So that tells you how bad it is yet. People are not being diverted to the bike path. It is a waste of time and money. I do not know how you can compare the cost on Kaumuali'i Highway near Kukui Grove over here costing more...sure, that is a four-lane highway that they are building and that thing is not even going to solve the problems here in Lihu'e. It was a good road job for Jimmy Tokioka. It is not going to solve the traffic problem here in Lihu'e. Lihu'e will never be a walking town until they have other alternate routes out of the town with great roads coming into the town. I think the bike path for the time being should be stopped right now, because you people are bleeding the people of Kaua'i with taxes. Property tax, vehicle weight tax, tipping fees, all of that. We are up to our necks. Stop the bike path for now, right where it is. As the County coffers get built up again, look into continuing it. Simple mathematics. You think you folks getting a big bang just spending the people's money. We do not all have deep pockets like some of the members of the Council or in other committees. Think about it. Just shelf the bike path where it is, no property tax raises, no tipping fees, no vehicle weight tax.

Now getting back to the roads system. Like I was saying, none of these things that I hear about taking core samples...the core samples cost money. Go to the files of the County Engineer's Office and see how wide those roads were built in the 1920's. The majority of them were 10 feet because I worked on some of the restoration of the roads like Ma'alo Road. The road was just 10 feet wide. You do not need no test boring to see what it is. Get the plans out, if it is not in micro film. Get them out and see how wide it is. Every test bore hole you take costs money. So those are the kinds of things, you people say you do not have money, we do not have money. Those are the roads that need to be fixed because, like I

said, that is why this County's roads are all in limbo. The deterioration of the roads itself. Now, the County is faced with so many liability lawsuits because of the condition of those roads. Something should be done and be given a priority. Shelf the bike path and fix the roads first. Do not jeopardize people's lives. Safety comes first, recreation and bike riding come second.

Chair Furfaro: Thank you, Joe, that was your 6 minutes.

Mr. Rosa: Well I am on another subject, I have another one to go.

Chair Furfaro: That was your time, 6 minutes.

Mr. Rosa: I thought it was 6 minutes or three minutes for each subject.

Chair Furfaro: No, let me explain something.

Mr. Rosa: Under your rules, but your rules sometimes... we come here as the public and spend the time to give you the information.

Chair Furfaro: Joe, let me explain something to you. The posting started last week. That is a whole Ordinance. Testimony could have been taken last week. I am making an exception to the rule that as the items move forward, I am letting people testify on those items that are in the Ordinance, the budget ordinance every day. I am giving you all 6 minutes. Then again on May 7<sup>th</sup> when the work is completed, you folks will have another time to give testimony at 5:00 p.m., public testimony. Now I will give you one more minute, but I have already made exceptions to the rules. So set it for one more minute and continue with your testimony for one more minute.

Mr. Rosa: Okay. I will wrap it up. I will jump to Wailua bridges, Wailua Homesteads, two bridges.

Chair Furfaro: You have one minute, go ahead.

Mr. Rosa: For those two bridges I do not see anything of historical value except for a group of ladies that drink tea and play cribbage all day, probably. Those two bridges have no historical value, but when they had a bridge on Kamalu Road that causes a flood and at that time Stanley Baptiste was on this Council, it back flooded into his home in Wailua Homesteads. Right away the County did things to fix them up. Look at the bridge at Kamalu Road, it is not no old bridge that they had that was dipping down in the road and the water used to go over the road when it goes up *mauka*. So those other two bridges, they are not of historical value. I restored two bridges on the north shore. It was a big liability for the State. After I fixed it up, the residents were grumbling about it, the late Charlie Ford, when I finished it, they said right on brother, right on brother...they are a bunch of hypocrites. So you know, safety comes first

Chair Furfaro: Thank you, Joe.

Mr. Rosa: It will save the County and people a lot of liability suits that are all going on right now in courts. I thank you.

Chair Furfaro: Thank you, Joe. Is there anyone else who would like to give testimony today on the agenda items listed for Public Works? A reminder tomorrow is Public Works-CIP. No other comments? Okay. Mr. Dill, I am going to call you up for Public Works. You can have anyone from your team. And you can have anyone from your team, your staff team sit with you, and the order of the schedule today is to hear from you on the overview of your administration. Then the Engineering Division. Then the Building Division. Then Road Maintenance. Then we will break for lunch at 12:00 p.m. today. Then we will go at 1:00 p.m. to the Auto Maintenance Division, Wastewater at 1:30 p.m., and Solid Waste at 2:30 p.m. You have the floor and you may begin your budget presentation.

LARRY DILL, P.E., County Engineer: Good morning and thank you Chair Furfaro and members of the County Council. For the record, I am Larry Dill, County Engineer.

LYLE TABATA, Deputy County Engineer: Lyle Tabata, Deputy County Engineer.

Mr. Dill: Thank you for going through the schedule today. I would like to ask the Council's indulgence that as we transition from Division to Division in making the presentations, that we have a short five minute break in between to allow us to reconvene and get together up here. If that works in the schedule, I would appreciate that.

Chair Furfaro: I can make that work.

Mr. Dill: Thank you. I am going to be going through as I initiate the presentation for the Department of Public Works by touching on some of the highlights of the budget presentation that is being provided to Council. The Division Heads will be coming and making their own presentations to you for their respective Divisions to present their budgets to you for their respective Divisions. One small exception to that rule is that I will be making the presentation for the Engineering Division. As you are well aware, we have a brand new Chief of the Engineering Division and so I will be taking the lead for that presentation. He should be present here for the presentation of course, but I will be taking the lead on that. Deputy County Engineer Lyle Tabata will be here the whole day and we have our Public Works Fiscal Officer in the audience to help us answer any questions that may come up during the presentation. As a general theme today I have instructed the Division Heads as they come before you to touch on some of the highlights of their budget. A couple of them will have additional information to elaborate on as they present to you. Generally speaking they will be touching on some of the highlights of the budget presentation already provided to you and then we will open the floor for any questions that you may have. I ask at this point are there any questions or points that the Council would like to make now?

Chair Furfaro: Larry, I would like to say that as people have brought up some particulars, I would like to revisit those when the appropriate Division shows up. For example, Mr. Mickens was talking about a metal plate covering a bridge hole. I would like to hear from the Roads Division specifically on why that bridge plate is in place for almost...I think he said seven years. So I do want to make sure that the public knows we are hearing the testimony, but when we get to that Division, I would like to see if we could not get some feedback.

Mr. Dill: We will certainly do our best to answer those sorts of questions. I have told the Division Heads to be prepared for their budget presentations today. So if there is a particular question that is really not part of the budget presentation, they may not be able to answer that so readily, but we will be happy to do that.

Chair Furfaro: If the problem is so glaring and it has been 7-10 years, I sure hope that somebody would have the answers. Mr. Kagawa you have the floor.

Mr. Kagawa: Chair, just to follow-up. On some of those questions, I agree with Larry. We could perhaps have it in my committee, Public Works Committee. I would love to have some items that are of importance to the community. I would really like to stick to the budget and to the reasons why they need these moneys. I think if we go into a particular situations, then perhaps at the committee level we can dig deep into it.

Chair Furfaro: I do not disagree with you at all. In fact, if you would like to get together with Mr. Mickens on his testimony and selectively decide what you want in Public Works. But I think in particular situations such as a metal plate that is on a bridge for ten years, I mean, that is a red-flag right away for me and I would like to get some feedback. So I hope you understand. JoAnn, did you have a question? No? Then before we go any further, I would like to recognize that the Mayor is in the audience. Thank you for being here, Mayor. Nadine, Finance Director, as well as the Budget Manager. Thank you very much for being here. Mr. Rapozo is on an excused family appointment for today and will not be attending. I will be leaving the meeting at 3:00 p.m. today and at that point, the next step is Vice Chair of the Committee of the Whole in the meeting, if that individual is not present, by our pecking order, I will turn it the Vice Chair of the Council. You have the floor, Larry.

Mr. Dill: I will begin with the budget for the Administration of the Public Works Department. Much of this report touches on things that pertain specifically for the Divisions, obviously. The Administration exists to support and help the Divisions implement their goals. I am going to briefly touch on some of the things here and leave a lot of the details for when the Division Heads come forward to make their presentations to you. Engineering Division I will touch on. We have replaced the Chief of Engineering position with an individual that comes to us with a lot of experience in the transportation and traffic worlds, which is for the Department of Public Works, is a new talent that we have not really had in-house before. We are very happy to have him on board with us and help us in implementing our Complete Streets goals. As you are aware the Council adopted a Complete Streets Resolution a little while ago and that will help us implement all the goals of that Resolution.

The Building Division has been working hard on managing projects and updating and implementing the ePlan Review process as we continue to make strides and set higher goals for processing building permits. That moves forward still with some hiccups but we are making progress.

The Roads Division has been making a lot of strides to implement overall policies and procedures of bringing themselves into the 21<sup>st</sup> Century. They are making electronic a lot of their work order system through a computer maintenance and management information system, as well as road pavement management system in order to create better records and better plans, programs, and systems for road maintenance.

Automotive Division continues to do really good work with limited resources in their shop. They have been recognizing that they are constrained within that site currently and at least for the moment, there is not a new site to go to. They have developed some ways to make that site more efficient and make the best use of the space that they have available to them.

Solid Waste Division, I am proud to say continues to be a leader in the State as far as waste diversion is concerned. We will be making a lot of investment, time, money, personnel wise, and seeing some results as far as our waste diversion efforts are concerned. We are also continuing to work on transitioning to a new landfill site. Two fold...we are maintaining the Kekaha Landfill, managing that operation while we look for a new site to develop for the County.

Wastewater Division. A big item to mention is that they have concluded the expansion and upgrade of the Waimea Wastewater Treatment Plant. A plant that has doubled in capacity and it has upgraded its treatment level from R-3 to R-1, the highest grade of treated effluent by the Department of Health standards. This will allow for much more readily, the use of reclaimed water for our recycled water usage on the west side where obviously the weather is dry and there are demands on potable water. That will create both a revenue source for the Wastewater Division as well as lessening pressures on the County's potable water systems.

Some of the challenges that we have in Public Works...I think the continuity planning, succession planning, and as people retire are some of the challenges that we have. Simultaneously, those are also some of the opportunities that we have. As I mentioned we already had an opportunity to bring on board a Chief of Engineering who brings a lot of new skills that the Department has not seen before. Where there are challenges, there are also opportunities to be seen at the same time. We always look at the regulatory review issues. I mentioned the building permit system, and in the Engineering Division we have made tremendous strides in reducing the amount of time that we are seeing things like grading plans, subdivision drawings, grading permits, roadway permits, in-house and turning those around much, much quicker and a lot of credit goes to the Engineering Division for making that happen.

Generally speaking of course, we seek to support the objectives of all the six Divisions in the Public Works Administration and implement the Mayor's *Holo Holo* 2020 projects and many I will speak to in the CIP presentation. Of course our operating staff with us.

I think in addition to that I will mention the Engineering Division. You are probably aware that last summer we saw five retirements...departures of engineers within a fairly short time frame. Of those five, we have replaced four of the five positions, one of them was actually converted to a construction inspection position. For some reason attrition wise prior to our arrival, they had lost a lot of their staffing in the Construction Inspection Division and we felt it would benefit us the most to convert one of those junior engineer positions into a construction inspection position. That position has been hired. There is one vacancy that has not yet been hired. Part of the reason for that is that we wanted the new Chief of Engineering to make his own assessment of the Division and decide best how to use that position. We will speak to that a little more during the Engineering Division position. One thing that I will mention under Engineering is that a significant goal we have is to create the living streets manual. That will be a major



component of implementing our Complete Streets vision. So a lot of that work has begun and again with our new Chief aboard. As well as I will mention...I will not take credit for it, but I will mention that our Planning Department has a Transportation Planner on staff working closely with the Public Works Department and both of those positions will be instrumental in helping us with the living streets manual.

A specific objective of the Building Division as was mentioned is to adopt the 2012 Uniform Plumbing Code. Our Division Chief Doug Haigh plays a key role on the State Building Council representing the County of Kaua'i and he has contributed a lot to that group. That group statewide has been moving forward and becoming consistent as far as what building codes are adopted by the various counties. That will provide for efficiencies statewide that will trickle down to us as well when contractors know that when they are bidding on projects that they are having to meet the same building codes regardless of where they are in the State. So Doug plays a big role in that to make sure that we can keep consistent with current codes and keep consistent with other municipalities of the counties as well as the State.

When we get to the Roads Division presentation I will be presenting as requested by the Chair sort of a 30,000 foot level plan about how we see progression of road resurfacing plans and a draft funding plan for that as well for the next several years.

I will now speak to...you have in your presentations the operating budget graphs. Those outlined to you and demonstrate where some of our moneys are currently being spent and we have an operating budget discussion at the end of every section. In the Administration's I will touch on some of the reasons for some of the changes that you are seeing in the budget for the Public Works Administration budget right now. I would say that the changes are not that significant after the wages and salaries and I know Council is aware of increases due to Collective Bargaining that have increased those sorts of costs and also are aware of...and this will be a general theme that wages and salary costs are up throughout the Department and that the County has made...excuse me...a conscious decision to fund less than 100% of our OPEB, our Other Post Employment Benefits and so that will be reflected throughout the Department in the various Divisions.

So specifically in the Administration, you will note at the bottom of page 7...I hope we all have the same page numbers. In operations an increase of almost \$107,000 for Public Works Administration. And on page 8, the increase in that expense is detailed as a \$30,000 new expense for the annual license fee for the eBuilder application currently being implemented to manage the County's CIP program. During the CIP presentation tomorrow I am sure that Mr. Keith Suga, the County's CIP Manager will outline the status of that, but this \$30,000 expense is part of that implementation of that CIP program. We had two uncollectible grants that contributed to the increase of the Public Works Division this year. One was a \$43,000 expense related to Kilauea Road in 1992. I will not be able to speak to that specifically and why this money was uncollectible. Our Public Works Fiscal Office worked with the Department of Finance and this was still on the books for whatever reason and it was decided it was not appropriate to keep it there. We do not have history to find out why it is still there and why it was uncollectible and decided to write it off. That is happening again, as well as a 2001 disaster removal grant of \$25,000 that was written off again as being uncollectible. Being 13 years ago, again I apologize as I do not have the information on that.

Chair Furfaro:

For clarification the first item was \$43,000?

Mr. Dill: Chair those are on page 8 of the budget presentation. \$43,000 in 1992 for something related to Kilauea Road and \$25,000 in 2001 related to disaster debris removal.

Chair Furfaro: So what I want to make sure is...that is work that we are supposed to be reimbursed for that we had not been reimbursed for and therefore, you wrote that receivable off?

Mr. Dill: Correct.

Chair Furfaro: Okay. So it is a write-off of the receivable which was reimbursable money?

Mr. Dill: Correct.

Chair Furfaro: Go ahead, Larry.

Mr. Dill: That completes my presentation for Public Works Administration.

Chair Furfaro: Let us see if we have any questions at this point then. Questions on the portion just covered regarding the Administration and Fiscal Divisions in Public Works? You have the floor, JoAnn.

Ms. Yukimura: I just want to say something and that is to really commend you Larry and Lyle and your team Deputy for the real progress that has been made in Public Works. Some very visible changes in a positive direction and you have highlighted them. The reduction in permitting time. The reorganization and hiring of new staff. The R-2 to R-1 in Sewers. So just thank you for your leadership and management.

Mr. Dill: Thank you very much, I appreciate that.

Chair Furfaro: Go ahead, Mr. Kagawa.

Mr. Kagawa: For me, too I did not really have a question, but want to echo Councilmember Yukimura's. We do not always agree on every decision, but that is just the nature of the Council and Administration's relationship. I want to thank you. I think you bring a common sense approach. And you know, you get the job done. I just want to thank you for the work we have done together as Committee Chair of the Public Works Committee. So I wanted to thank you.

Mr. Dill: Thank you very much. I appreciate it. I also do want to say Lyle and I are here as the leaders of the Department, but there are a lot of guys that are not here today who are working hard to make all of this happen. Thank you.

Chair Furfaro: Larry just on your overall administration in Public Works, two comments from me. When we get to them, I want to thank you for responding to the query about the progressive improvements on overtime, especially as it relates to Solid Waste and Public Works. I have gotten the responses from you all and Lyle today and you can definitely see the progression being made. The other one I want to thank you for is also giving a continuity plan some thought about identifying as we go through these increments of retirement, but more importantly identifying high-achievers in

replacement. Job well done. Thank you very much. Any other questions as it relates to the Administration portion of Public Works? If not, Larry I would like to go right into the Engineering Division.

Mr. Dill: Thank you. I will ask our new Chief of the Engineering Division to introduce himself.

MICHAEL MOULE, Chief of Engineering: Good morning everyone, I am Michael Moule the new Chief of Engineering and I have seen you here a few times now. I have not had a chance to speak to you much and I will not be speaking much today. I look forward to next year, perhaps, in presenting the budget information directly. Since I just arrived, the budget was put together by Larry and others in the Department. So I am not as familiar as they are. So they are making the actual presentation this morning. Thank you.

Chair Furfaro: Michael Moule? Could you give us just a real quick briefing of your background?

Mr. Moule: Absolutely. My background is that I started...started my career at the Oregon Department of Transportation. So I am a Civil Engineer with most of my career focused on transportation issues. I worked in bridge design, as well as road design, but spent the bulk of my time in their pedestrian and bicycle program, making sure that we implement what is your...the nation's first Complete Streets bill which was not called that at the time, but from 1971 Oregon has had a law requiring all projects to include walking and biking facilities. I then became the City Traffic Engineering for Ashford, North Carolina and spent three years there. Since 2002, I have been a consultant. Six years in Oregon and then three years in North Carolina and since 2002 I have been a consultant. Mainly for eight years on my own. I have had my own company called Livable Streets, Inc. Then I joined a company called Nelson Nygaard four years ago and I moved back to the west coast. I was in Tampa for a while when I was consulting on my own. I joined here a month and a half ago and I am glad to be back in the public sector here on Kaua'i and enjoying the island life so far. My expertise is primarily in transportation. A lot in Complete Streets issues designing for walking and bicycling, but general road design issues as well. I have done other types of civil engineering in the past, storm water especially and I am re-learning a lot of things related to other aspects of civil engineer since I have been mainly focused on the transportation side for the last twelve or several more years. It has been great so far and I have had great support from Larry and Lyle and others in other Departments. As well as other people in the Public Works Department and I am looking forward to working with the County for the foreseeable future.

Chair Furfaro: We are delighted to have you with us and you will find even when it is difficult here on Kaua'i, it is still the best place to be. So welcome. Welcome.

Mr. Moule: Thank you.

Chair Furfaro: Larry, who is going to continue the presentation?

Mr. Dill: That would be me. Thank you and, as much as I want to acknowledge Michael for his coming on board and he is knee-deep in the issues of the Division already I would be remiss if I did not recognize Stanford Iwamoto who joined

us a year ago when our Chief of Engineering, Wally Kudo retired in August. Stanford was the guy that was a temporary assignment into that position for several months and did Yomen's work in more than just keeping things afloat. He kept things moving and improving the Division. With Michael on board, Stanford is still in a position of leadership in the Division, helping his Section moving forward as well. My thanks to Stanford for all of his work as well.

I will read some points as well from the Engineering Division report. Starting with the mission...the mission of the Division is the protection of the public's health, safety, property and the environment through proper planning, development, maintenance and operation of the County's infrastructure and administration of sediment and erosion control measures, storm water run-off systems, driveway approaches, and land use codes and ordinances. Listed in the presentation are several of the successes and achievements of the Division for this past year. They played a key role in the building permit application process having reviewed 500 of those applications for compliance with County drainage and flood ordinances in the past year. In addition, grading permit applications...25 of them and 50 road permit applications. The Division is also responsible for managing and inspecting some of our CIP projects. For instance Kamalu Road is a project that was completed this year and we are in the final stages of completion. We did that design work in-house also. With the presence of folks like Michael and Stanford and some new younger staff engineers, we are enhancing the ability in the Engineering Division, to do more in-house engineering projects. We are excited not only to be able to manage and outsource more projects, some of the bigger ones...some of the smaller ones we can get done more efficiently and quicker and less expense to the County by having some of our in-house staff engineer those projects. So we are excited about expanding that capability in the Engineering Division. Some of our other ongoing projects is the Hanapēpē Parking Lot. The project is completed. The project will be advertised very soon and the construction should be complete by this summer. Consultant design is on-going for some of our projects, including the Kapahi Bridge, Kōloa Road Safety Improvements, Puhi Road Construction...I am not going to go into a lot of detail because a lot of these will come up in the CIP. Consultant design for the Lae Road Guardrail Improvements will be completed and that will be going to construction this year. Consultant design for a number of projects listed there in front of you and I will not go into detail again as those are construction also. Also some design services going on. In-house projects...I mentioned that we did some in-house design for the Automotive Shop to support one of our sister Divisions in the Public Works Department. Wailana Bridge, we are close to going out to bid. That is the pedestrian bridge adjacent to the Wailana Bridge down in Kōloa at Anne Knudsen Park. That bridge has been closed for quite a while now. That is something we are going out to bid soon and going to construction by hopefully this summer. Also as you are aware we received approval for funding of resurfacing projects that we are using Federal Highway Funds for three of our Collector Roads in the Kapa'a area. That is Mailihuna, Hauaala, Olohena Roads. Improvement of those roads will tie nicely and support our efforts for Safe Routes to Schools improvements we are doing up in the area where there is I think five roads that intersect just *mauka* of Kapa'a High School. So these projects will be supporting that other project in that area as well.

Chair Furfaro: May I ask you to repeat the names of those Collector Roads that you are doing that work on one more time, please?

Mr. Dill: Sure that is Mailihuna, Hauaala, and Olohena. Some of the challenges as I mentioned earlier, we had five engineers depart from the Engineering Division all in short order last summer. We have replaced a majority of those and they have been working very well for us. We have been managed to picked up some

very strong staff. We are excited about that as well. Nevertheless that shortage of staff that occurred for a while did create a problem for us in trying to keep up with our day to day operations. I think than we have more than kept up now and we are actually moving ahead. I am happy to mention that.

The Engineering Division is made up of regulatory compliance as we call it and project management because the Division is responsible for managing many of the County's CIP projects. The CIP management workload was spread thin in the past but as we now staff up again, that is helping us to get more done in the project management arena. So generally speaking some of our goals for the Engineering Division, as always the protection of public health and safety by planning and developing safe and cost-effective roadway and drainage systems, protection of public safety and assurance of high-quality of life by administering and enforcing subdivision grading and drainage ordinances and regulations, protection of public safety and investment through effective project development, improving the efficiency of maintenance of County facilities, roadways, and drainage systems, and we continue to improve our in-house design capabilities, improve our regulatory review process to streamline it and make it quicker essentially, and also to implement a Complete Streets principles in the work that we do.

So having said that, page 24, shows the graphs and tables that summarize operating budget for Fiscal Year 2015 as compared to Fiscal Year 2014. The budgets are very similar actually, not very many changes at all. I will mention on page 25 salary increases due to Collective Bargaining and decreases in benefits was due to a decision to short fund the OPEB costs. We had a vehicle lease that we finished paying off. So no lease payments in Fiscal Year 2015. But overall, as I mentioned not a lot of changes to the Engineering Division budget for this year. That concludes my presentation for Engineering. So I would be happy to entertain any questions.

Chair Furfaro: Any additional comments by the other two gentlemen before we open up for questions? Is there anything that you would like to add to Mr. Dill's report? If not, Mr. Bynum.

Mr. Bynum: Good morning. Mr. Moule, welcome to the County of Kaua'i. I want to start by recognizing the position that you filled was for many years staffed with a key County person, Wally Kudo, who for many years did service to the County of Kaua'i. That change is huge for the County given his history. I will recognize that the Division has been through a wholesale change. I know you are rebuilding and you have piqued my interest about smaller projects being done in-house. As Larry knows, I have a long history of looking at *pukas* in our transportation networks, particularly related to pedestrians and I have a history of lobbying for smaller projects to fill the...let us do what we can and not wait for this huge thing...I applaud that. My questions are more about Complete Streets, things are zooming and going great in this County. Maybe that is part of what attracted you here. It is an opportunity to do smart things in a rural community. You mentioned you have history in storm water and storm water falls under engineering Larry?

Mr. Dill: Yes, the engineering and regulatory facet of it.

Mr. Bynum: And maintenance under roads?

Mr. Dill: Correct.

Mr. Bynum: The other thing that I am really interested in is that the County do whatever we can to provide stewardship of the watershed and any waters that flow into the ocean. I have learned about things that we can do to capture more water and not let it run-off and things that we can do with water that runs off and catches sediment...there are not big fans generally of engineering or the Engineering Division but Public Works in general because they require maintenance, right? Catchments catch sediments before they go into the ocean and if you do not clean them out, right? I am very interested in those issues and think that there is a lot that we can do by every time thinking about what we can do with this maintenance project? What can we do with this? Is that the kind of thing you are talking about in being able to look at small projects and do them in-house?

Mr. Dill: There will be quite a wide variety of projects. They will include what you are talking about, some of the things, I guess, on my thoughts are guardrail plans should be fairly simple, straightforward plans. Culvert improvement plans we should be able to do the hydrology and hydraulics, and then do a civil drawings. Small street improvements sort of plans, things like that. That will be the beginning of those sorts of things.

Mr. Bynum: I want to stick with storm water for a minute. We have done a great job of creating a culture and environment around our transportation network that looks comprehensively at it. All that credit goes to the Mayor and you guys, and Lyle and the Council, all of us have adopted that and we have created a different culture and every project that we do we think about that first. I want to know how we can create that culture around storm water and watershed run-off. I notice with the bike path, I did not even know this, but I was driving down and was out there a couple of times this week, great maintenance in Kapa'a and I am very, very impressed. That is the Parks Division I guess. I am sorry, I kind of lost my train of thought. How do we create this culture around environmental stewardship of the water and hardscaping...I saw permeable concrete on the highway and I did not know that was part of our plan and somebody took initiative to could that. Thank you very much. That is the kind of culture I am thinking about and how do we create that in Public Works? Do you take the lead on that, and give us environmental stewardship through good engineering or do we take the lead?

Mr. Dill: I would think that Public Works would take the lead on that, together with our Roads guys. Whenever we implement these things often as you have mentioned they include a maintenance component and more maintenance means more pressure on the Roads Division to keep up with the work that they have to do. But nevertheless these are good goals to have and like many other things we need to make sure that we apply our resources as efficiently as we can. I would say that Public Works and Engineering Division will be taking the lead on a lot of those things...implementation. The bike path is a good example of permeable concrete. One thing that is new for the County of Kaua'i is the catch basin that they are using. This is a special type of design catch basin which is specifically designed to capture debris before it is sent off to the ocean. The great thing is that it captures that debris and stops it from being sent off. Of course that means somebody has to go in and maintain those things. We are working more closely between Engineering and Roads to make sure that the things that we are proposing on the construction side, that Roads is familiar with and understands the maintenance aspects of those sorts of things.

Mr. Bynum: I am going to stick with this for one second and then yield the floor, because I am sure there are other questions. What really got...one of

the things that got my attention...I have been attending these Smart Growth conferences for years now but a few years ago I started changing my attention to finance and storm water runoff and other issues...not so much the streets and other issues because Smart Growth is a much larger issue in principle in planning. I do not want to belabor this but there is a bunch of things that we can do to be better environmental stewards of the watershed. We are causing huge problems in the environment now by not managing that well. That is not a criticism, because that is the history, but the world has changed on these levels too, do you agree?

Mr. Dill: Yes.

Mr. Bynum: So Mr. Moule, I am looking...I see your background the last ten years have been really focused on transportation. That is awesome with Lee there and the kind of collaboration that is happening between Departments. It is a fun place to be, I think as a civil servant. But I am looking for your expertise on these other environmental engineering kind of issues. Thank you.

Mr. Moule: You are welcome. I will briefly add on the issue of storm water and retention and filtering. That is something that we are already working. You probably saw the Civic Center project. It is not our project but the Building Division where they had the flow in planters and all of that. Two projects that are already managed by Building as well right now, Hardy Street and Eiwa Street...we are planning similar, and I am working with them on similar ideas as well with flow through planters trying to filter out that storm water before it goes to the ocean. We do not yet have in place any sort of standard yet, but as we continue to work on projects we will continue to look for those opportunities. As we develop the living streets manual that Larry talked about and update our drawings we will be thinking about those things and trying to get those elements in, along with the Complete Streets. I call them "green street elements" as they relates to the streets which is our rights of way. The other aspect of storm water issues are as they relate to private development projects. That is another big issue. It is not our specific responsibility as far as what we own as the County, but we review their grading and all of that. That may be an area that we can talk about changes to those standards too. That is probably a little further down the road.

Mr. Bynum: Our Building Division has been a strength of planning and project management in the Division. My assumption is that Engineering is going to beef up that portion with this new leadership team coming in as well. Thank you very much. Thank you.

Chair Furfaro: Vice Chair Chock.

Mr. Chock: Thank you, Chair. I just wanted to welcome Michael as well. I got to spend Saturday morning with him this past Saturday on the form base code. I like the way he thinks. We had a chance to move things around on our own community development project. I am looking forward to...it is good to have just with the background that he shared and all of the expertise that you bring, I am hoping and what I would like to hear that Kaua'i is your home. I did not hear why you came to Kaua'i, but that you will be here for a while, particularly because we have a shortfall in your Department and I would love to hear more about what brought you here to stay. In regards to the vacancies of engineers if you could explain where we are with that in this budget presentation? As I do see a 2.2% increase in the salaries and how that might be attributed? Thank you.

Mr. Dill: Sure. The increase in salaries is due to the increase...due to the Collective Bargaining Agreements that happened. That is why you are seeing that increase. As far as vacancies I mentioned that last summer we lost five engineers all about the same time. We replaced four positions and essentially we have one funded vacancy right now. There are, I think we have a dollar funded engineer position which was dollar funded in 2011. That continues to be dollar funded. There is only one engineering position that remains vacant and funded. That became vacant last year. We do plan on filling it. I mentioned briefly that we wanted to get our Chief of Engineering on board to have him give input on how that position is used. One of the things on Michael's long list of things to do is to assess his Division which he has been doing. We have plans to get together in the future to assess those plans and make those decisions and recruit for that position.

Mr. Chock: Could you share which position?

Mr. Dill: It is 1427. That is the Engineering Program Administrator position.

Mr. Chock: Yes. Thank you.

Chair Furfaro: JoAnn?

Ms. Yukimura: Mason mentioned Saturday and I just want to let everybody know that one evidence of Mr. Moule's commitment along with Larry and Lyle is the fact that they spent Saturday morning from 8:30 a.m. to 1:30 p.m. at a form based code workshop, which was very, very good and that was sort of beyond the call. In terms of compliments or acknowledgments, I am sure you want to hear this positive feedback. The Civic Center that was mentioned, which is mainly the parking lot on the Post Office side of the Civic Center is a beautiful job. To hear that it incorporates some environmentally sound provisions or features as well is very exciting. I never thought I would say that a parking lot looked nice, but it really is with the native plantings, the accessibility features, it is very, very nice. Kudos to the Administration for that. Also thank you for navigating the uncontrollables like the resignations and retirements to use it as an opportunity to select high-quality people because high-quality people are really the key to high-performance organizations. Thank you for doing that. My question, the Hanapēpē Parking Lot, is that the one in old town Hanapēpē? That is wonderful to hear. Thank you for that work. The Wailana Bridge improvements, you say by Anne Knudsen Park. Is that the one in Kōloa Town itself?

Mr. Dill: It is actually on Maluhia Road. The bridge is on Maluhia Road as you leave the park and head towards Kōloa Town on the east side of the road. Right past the tennis courts, you cross the bridge. There is a pedestrian bridge there.

Ms. Yukimura: I understand now, that has been closed?

Mr. Dill: Yes.

Ms. Yukimura: That will be done soon?

Mr. Dill: Yes. This summer we anticipate construction will be complete.



Ms. Yukimura: Excellent. I noticed that you do not really have objectives in your goals and objectives. Like specific time, deadlines, and accomplishments. I have a feeling that you have a lot of them, but I do not know... maybe they are in the form of projects.

Mr. Dill: All of the projects have goals and timeframes associated with them. Because the Division has been somewhat in a state of transition for the last several months you may not see as much as you would like to see in that regard. I hope to see under Mr. Moule's direction, the next time around we will see a lot of that sort of thing.

Ms. Yukimura: that. Welcome on board Michael.

Chair Furfaro: Other questions for engineering? Mr. Kagawa?

Mr. Kagawa: Thank you, Chair. Welcome, Michael. You know, the Engineering Division, they oversee, like flood permits, right?

Mr. Moule: Right.

Mr. Kagawa: I know that we went back and forth about a couple...I guess flood permit applications that were stuck. I am wondering if we are kind of looking to improve that? I have heard before it is what it is as far as we have to follow Federal Emergency Management Agency (FEMA) standards, what have you. I do not know if you have any plans to look at how we can find some type of compromise, where it is not too extreme? To build a house should not be like a bomb shelter, you know? So I do not know if you have any thoughts.

Mr. Dill: I will speak to that one. The County is responsible for managing its flood plain management ordinance, so it is in compliance with the national flood insurance programs required by the Federal Emergency Management Agency. We do that in order to make sure that our County remains in compliance with those things, so then we qualify for subsidized flood insurance on our residents' policies. Now FEMA of course is very interested to make sure that we are in compliance with their requirements and so they visit us every so often and do a CAV, a community assistance visit. They go through our files pretty thoroughly to look at how we are managing flood issues. In our most recent visits they have gone through things from decades ago and brought up some concerns at times and I am being a Monday-morning quarterback and making assumptions about why decisions were made back then, but I think attempts were made to be flexible for folks and FEMA said you cannot do this and you have to comply with the requirements. So many of the times and I do not disagree with it, because it appears that sometimes we are kind of being heavy handed with those things, but at the end of the day, it is first and foremost our job to make sure that we maintain our compliance in order to get the subsidized flood insurance premiums on behalf of the County. I will agree with you that we look for opportunities to do that and be flexible with people, but we need to be careful.

Mr. Kagawa: I understand that. The bottom line, if you live in a flood zone, it should not be to the point that our residents...the rules have become so strict if you have a flood zone property that comes to the point that you cannot build there.

because you are in the flood zone. Going forward, if we could just take a look at that, because we have so much...we are covered by rivers and ocean and to make it more reasonable, I would appreciate it. Otherwise our attitude is going to be, if you have a flood-zone property, do not even think about building this and I think at some point we want to just keep working with the Federal government and see if we can get some kind of compromise.

Mr. Dill: I understand what you are saying, it is difficult and I believe there is a statement in the flood plain ordinance it is a stated goal of the County to direct development away and out of flood zones. So that is always our first choice, no development in flood zones, but of course as you know there are ways to develop in a flood zone if they meet certain criteria. I will just repeat it is very difficult for us to be "flexible" on some of those.

Mr. Kagawa: I understand. In those times that they come and evaluate, if you could just discuss our residents' situation because it is a fact of the matter, not everyone can afford to build out of the flood zone and I think there are some areas that are considered "flood zone," that is really great as a flood zone, but some people draw the maps and say you are in a flood zone or you are not. I think some are really not in a flood zone, but considered a flood zone.

Mr. Dill: Thank you.

Chair Furfaro: Larry, we are coming up on wrapping up our time on the Engineering portion, but since there has been the discussion of form-based code and how important it is, associated with the implementing Smart Growth, I have a packet here that Yvette has prepared for me and I would like to make sure that you had this available at your community desk, so that communities who want to get involved individually have an opportunity to understand how form-based codes work and creating very livable communities and being in balance with zoning and building, as well as the public participation is very important as well. So if I could just...in your Divisions make some of this material available for the public? Hearing it and not being able to go to a worksheet or go to a work session, you know, we do want the public to be able to understand that the parameters that you are setting in the Engineering Department going forward, if I could ask that, I would really appreciate it.

Mr. Dill: Okay, thank you, I would be happy to.

Chair Furfaro: Okay, we are about 15 minutes over our time for Engineering. Any final questions from anybody? If not, Larry, thank you very much. Gentlemen, thank you very much. I think we will go to Buildings next. Do you still want that 5 minutes?

Mr. Dill: Since the speaker will not be myself, but Mr. Haigh, we will roll right into the next one.

Chair Furfaro: Okay.

DOUGLAS HAIGH, Chief of Building: Good morning, Doug Haigh, Department of Public Works, Building Division. I am here this morning to present our budget for Fiscal Year 2015. The mission of the Building Division is to oversee code enforcement, facility development, building and construction maintenance, and janitorial

services. All these programs are responsible for providing the people of Kaua'i with safely constructing public and private facilities and well maintained County facilities.

Successes and achievements. We have completed the Lydgate Kapa'a Bicycle Pedestrian Path Phase B. We also took care of Phase A also. We do have a few more punch list issues with Phase A then Phase B. We are very proud that we have completed those projects. We extended the bike path from the Lihi to the Foodland/Safeway pedestrian bridge. We are incorporating that pedestrian bridge as part of the bike path project. With that, we acquired \$400,000+ in soft match, which gave us over \$1 million of Federal moneys to continue to build the bike path. Phase A, we went from Wailua Bridge...river bridge, to the end of Papaloa Road. Along Papaloa Road, we incorporated Complete Street ideas and concepts and did quite an upgrade and provided a pedestrian bicycle access where there never was one before. We are now ready for the final gap to get us connecting from Lydgate Park to Kuna Bay. That will be the Waipouli area going from Waipouli Beach Resort to Papaloa Road. We completed the Lihu'e Civic Center site improvements as you mentioned earlier. Excited about that. It was...the planning for this project at least ten years. Part of the Lihu'e Civic Center site improvements. We did a master plan many years ago, environmental assessment, and we were finally able to move forward with this small step. We plan to continue that on Eiwa Street. We have incorporated further improvements in the electronic plan review in partnership with Information Technology (IT). We have challenges there and I will mention that and I will go right into that.

Electronic plan review has been a challenge to implement. We are in the process of interacting with the users to find out what the issues are and we are looking at upgrading the system in the near future.

Some of our challenges have been to fill vacancies in a timely fashion. We were fortunate in the Code Inspection side to be able to use our Revolving Fund to be able to fill an Assistant Building Inspection position so when we had retirements, we were able to go right in with a trained person to fill that position. That has been very helpful. Managing multiple projects with minimal staff. Basically we have one full time project manager and two part time project managers managing all the Building Division projects, including our operations funded maintenance major projects. That is a challenge.

Goals and objectives. Take care of our buildings, stay current on the codes, provide adequate training, development of our staff, maintain clean facilities, repair and maintain our facilities, and manage construction projects for the County of Kaua'i. Specific goals and objectives...to complete the Hardy Street Improvement Project which includes relocating the Lihu'e Bus Stop, which would have us do some improvement to Eiwa Street. We are going to try to incorporate that in the Hardy Street project. We are going to complete the Lydgate Kapa'a Phase A 100% and then Lydgate Kapa'a Phase C and D is our number one priority for bike path projects moving on. We hope to start construction on the Pono Kai seawall – Moana Kai seawall. We have had tremendous regulatory hurdles to get over. It is not hurdles in completing work, it is hurdles waiting for decisions. Both the U.S. Army Corps of Engineers and Department of Health regulator processes, when we go into a 401 or 404 permit, which are permits that touch bodies of water...we are talking years, not months when you deal with Federal or State review of those projects. We have been frustratingly and continually delayed as we are waiting for permits.

Also a goal and objective is to do better and new performance metrics and improve upon them. Challenges include finding staff time to work on such. When we have limited staff taking care of current need it is hard to allocate staff to do better metrics because we

are taking care of the fires day-to-day. Looking at our budget, basically this was a no-change budget. Those were our marching orders and we follow our orders. On the Building and Inspection side the only change is some increase in operational salaries and benefits directly related to the union agreements to give the first pay raise in four years. So that is pretty much Building and Inspection.

Operationally, we did cutback our operational projects considerably. Part of that is the Parks Department has greatly strengthened their ability to manage small projects. So we have shifted some of the small projects that normally we would manage to the Parks Department. So that has greatly reduced our operational maintenance projects and due to a very tight budget we did not pursue other projects. So we are doing some deferred maintenance, but the reality is that we need some time to catch up on existing projects that we have. We have three CIP projects that we have been struggling with to get done on the operational... they are more operational-type projects. Now with a low-budget year that will hopefully give us time to catch up and get that done. We are hoping that we may be able to have time to look at some of this metric work. But we will see. Part of our problem is that our buildings are getting a little more complex with our energy management systems, with our security systems, our key systems, and our maintenance supervisor. The Maintenance Section, Management Building Facilities Manager is having to spend a lot of time on those type of technical issues which really he cannot delegate. So therefore, that gives us a lot less time to do the basic maintenance project management work. We have been trying for years to get additional staff and particularly looking at succession issues because we know we have a potential hole there. With the current fiscal condition, that is not possible at this time.

Janitorial Section, primarily we are looking at pretty much the same budget. We are looking at an increase in utilities. Actually the last two years we have been struggling meeting our electric bill and last year we deferred one month of bills into the next fiscal year and that has had consequences because we only budgeted for one fiscal year. It is a challenge for us to meet our electrical bills and we do creative things to do that because we have to pay them. This year we did increase our electrical budget to \$1.6 million. So that is a challenge really on the Janitorial side. Our Janitorial Staff are really doing good work and we are getting them the tools that they need in order to do that work. So they are doing a lot of carpet-cleaning, floor refinishing, that type of work. The staff is real flexible and we are very pleased with how the Janitorial Division is going, but it does require equipment and materials to do that. We were not able to cut back on that side. We need to continue. Just to touch base on the utilities a little bit. We are looking at...we are working with the Engineering Division and the Office of Economic Development to try to improve upon our energy efficiencies. Right now we are looking at the Līhu'e Civic Center as one of our main electrical users. We have budgeted a replacement chiller, but we are coordinating with the Engineering Division and Office of Economic Development, Energy Division to do a thorough analysis of our mechanical systems at the Līhu'e Civic Center in regards to our energy use basis. Rather than go in and replace an existing chiller we want to do a full analysis of our existing system and this also ties in with the Piikoi Expansion Project. We do not want to look at that mechanical system in isolation. We need to look at the entire facility and potential energy savings, because when you reduce your energy use, a lot of times, especially in lighting, you reduce your heat load and that affects your mechanical system. So we are looking at the whole system together to try to make the best decision to have the most energy efficient system we can get for the Līhu'e Civic Center. We have funded for the chiller but it is very possible once we complete our energy analysis, there may be some adjustment on what size and the type of chiller we will actually get. We are going to really focus on putting energy efficiency as our number one goal for the Līhu'e

Civic Center. It has always been, but we now have some resources in getting some professional assistance in helping us to move forward with that goal. That kind of sums up what I have to present today on the Building Division budget and I am happy to answer any questions that you may have.

Chair Furfaro: Okay. It has been a happy day until this point. So I am glad to hear that you are happy to answer any questions. But here comes some bullets from me. When was the last time that we got a building report update?

Mr. Haigh: It has been way overdue.

Chair Furfaro: It is 13 months overdue. Now I take particular interest in the building report because it is one way that we can trigger how long permits, for what rationale, by various departments? Whether it is the Health Department and so forth have been languishing in the Building Division. That is one use. Number 2, it also gives us an indication on the permits that we are issuing for building, that there is a new opportunity for some potential revenue, because once that improvement is put on the building, on the land, the fact of the matter is that there is a new assessment, which generates new revenue to us. I think you know, Doug, that in 2004, I worked very hard with Building to re-design that for information that was needed and it is designed after a particular group of booking tickets that says when the permit went out and when certain deposits are required, etc. It has just gone dormant on us. We or at least I have spoken to Larry casually about the fact that we are so far behind. Is there a reason that we are that far behind on the building report for the Council? It does have value for us. Are we missing a person? Did someone retire? What happened there?

Mr. Haigh: There has been a sequence of events...I have been putting my attention to it periodically, trying to get it to move forward again. Originally it was software/technical issues. Then now we have a situation of a long-term disability...well, industrial accident impacting our clerical services and the clerical position working on that report. So we are operating one person short in our clerical side and I have put the priority on processing permits. We know this is something we need to get on and the Administration has made that clear.

Chair Furfaro: Could you put something in writing that indicates what your plan is to get people cross-trained or get us current? I want you to know it has a lot of value for us. It helps us forecast. So if you can and I am corrected, the Staff just told me it has been 11 months since we got a report, March of 2013. So I also would like to ask you where are we on the status of Eiwa Street here and to kind of improve some of this image of blockades and so forth? Where do we stand on what we agreed on doing for a period of feedback on the recommendation? At the same time, it would not hurt me to complement you on responding to the Joe Rosa suggestion about the one-way turning arrow. That is very much appreciated. Where are we at on this study on Eiwa Street.

Mr. Haigh: My boss would like to respond to that.

Mr. Dill: Chair we have just sent over and I have received confirmation on April 9<sup>th</sup> is an update that we will talk about the Eiwa Street Plan, the Hardy Street Project, and overall Complete Streets-Transportation issues as it relates to the whole Lihu'e Town Core Plan. You will see Public Works, Planning, and the Transportation Agency together making that presentation April 9<sup>th</sup>. On the evening of April the 9<sup>th</sup> is scheduled a public informational meeting on Hardy Street that we will be

able to update the public. Two weeks later, April 23<sup>rd</sup> we will have a couple of follow-up traffic resolutions after we have had a chance to present to Council and got public input. I apologize and appreciate your patience. We have that on an upcoming agenda.

Chair Furfaro: That just came over requesting April 9<sup>th</sup>?  
Because I do not think I have seen it.

Mr. Dill: I just talked to one of your staff and we just sent it over Friday and I have received hopefully confirmation that April 9<sup>th</sup> we are on for the update.

Chair Furfaro: Acceptable. That is fine. One other question here along this line and I want to ask you, have we put in the electric meter for the Historical Society yet, so that they can pay their own electric bill and if not, have we rationalized what we should be increasing their share of the bill to be? Has that happened yet?

Mr. Haigh: We have not moved forward on a sub meter for the Historical Society. Part of the reasoning for that, we have isolated most of their plug loads to a separate panel. So it would not be that difficult to do it. We have a centralized air conditioning system. So if we just do the electric it would not catch the air conditioning.

Chair Furfaro: They have other chilling facilities that deals with their archival system. That runs 24 hours, 7 days a week. I will send over another request, but I would appreciate some individual discussion. Because it is tough to be trying to measure our performance on electricity over here, knowing that we have the Historical Society components attached to us. Again, this is a request from the Chairman. I take you guys serious and I hope you take me seriously. That would be very, very much appreciated because it is a fixed amount that has not gone up even in the negotiated lease for years. We need to do that.

Mr. Haigh: We will be...I mean we will work with the Department of Finance on the lease issues. If it is appropriate to increase their utility amount and we will provide the Department of Finance whatever information.

Chair Furfaro: I have gone over it. It is appropriate. You just have to have some electrical engineer-type estimate the kilowatt hours that they are using. Again, they ran Saturday, Sunday, 24 hours for their collection. It is really important that we be fair, but at the same time, let us be just. So April 9<sup>th</sup> I look for the letter on the other piece, for you folks to be on the agenda. You will respond to us about where we are at with the building reports? Because again, we use it to forecast potential revenue. So then the Historical Society and Eiwa Street. Those are a couple of big ones because we have the celebration of the building coming up in another 45 days or so. So I would like to know where we are at. I think JoAnn had her hand up first.

Mr. Kagawa: I had a question.

Chair Furfaro: Then Mr. Kagawa and then I will come back to you, how is that? Mr. Kagawa.

Mr. Kagawa: Thank you, Chair. First of all, I would like to state that it has been...I do not know how long since we have closed Eiwa Street. I

continue to agree that based on talks with the community, because we are public servants, I still disagree with the permanent closure of Eiwa Street. But it is what it is. I do not know where we are going from here, but I think that both walkability and what have you can be achieved by continuing to let cars travel on this street. I think we are yet to see the true relationship, I guess, with traffic and just having to turn here. Because I think right now much of the concern is happening on the main highway. They are just plugged there, so they are not grumbling about here. I think at some point we do not want to create traffic congestion, if we can avoid it and definitely one major route being taken out does not help. But anyway, that continues to be my belief. Regarding the building permit system that is the third goal in “successes and achievements.” Doug has electronic filing of permits...have you seen some fruits of success as far as being able to electronically get everybody to look at things all at once?

Mr. Haigh: Not as much as we had hoped. There are certainly improvements associated with electronic plan review, but we have discovered a lot of challenges. We have about to upgrade the software, which will make it easier and wider the use of the platform. It will allow use of Apple computers. So it should be a big improvement and then we are going to do a “rah-rah” session with the local architects and planners, to try to bring them back. There were challenges. We have made improvements and we have further improvements.

Mr. Kagawa: Understood.

Mr. Haigh: We will not give up.

Mr. Kagawa: Understood. I think with something so huge as all of the permits, at some point it is going to be good that we have everything on the computer and having to look for rows of plans is definitely old-school, I think. Congratulations on heading in that direction. But I do hear that we have a long way to go. So we will continue to support whatever we can do to improve that. Because I think the primary focus of the public is that if we are going to e-file, everything is going to get quicker. I think until we deliver that quicker service, we still have to work hard on it. Thank you. The last question why is the bike path cost so much compared to repaving a road? If you could reinforce the reasoning.

Mr. Haigh: We have just gone through an urban corridor. We are doing so much more. The actual cost of the bike path is small compared to all the other things that we have to do. Lydgate Kapa’a Phase B, specialized drainage system. Basically, we took an unimproved road, Niulani and provided an upgraded road and drainage system where there never was one before. That costs money. At the intersection of Papaloa and Kūhiō Highway, in order to get the bike path to fit, we had to move the drainage inlets and in order to do that, we had to redo the system. In order to redo the drainage system we had to relocate the water lines. Once we got in to it, everything was not where it was supposed to be. These types of things are very expensive. Putting down the concrete for the path is easy. It is not that expensive. Once you go into these projects there are all these other things that we are doing that make it expensive.

Mr. Kagawa: That is a good answer, thank you.

Chair Furfaro: JoAnn, you have the floor.

Ms. Yukimura: Just a follow-up to the last question, what was the actual cost of that Phase B?

Mr. Haigh: I do not remember exactly. I believe it was in the \$3 to \$4 million cost.

Ms. Yukimura: What percentage did the County pay?

Mr. Haigh: Zero.

Ms. Yukimura: Okay. Because our match was a soft match?

Mr. Haigh: Correct.

Ms. Yukimura: The soft match was that Safeway?

Mr. Haigh: The Safeway Bridge helped pay for it and our original property match in the Keālia area and along Papaloa Road we gained some soft match along there. The Kaua'i Sands, there was an easement along there that they donated to the County and we were able to utilize that as a soft match and with Lae Nani, they donated their pedestrian easement and that is a soft match.

Ms. Yukimura: For that stretch there was really no County cost?

Mr. Haigh: That is correct, nothing that came out of our County General Fund?

Ms. Yukimura: How long was the stretch?

Mr. Haigh: I think if you add the two together, I think about two miles.

Ms. Yukimura: Well it costs the taxpayer, not the County taxpayers, but the taxpayers in general \$80 million to go two lanes to four lanes from Līhu'e to KCC. We need to remember that. I want to thank you Doug and your Division, since the Līhu'e Civic Center was under your Division for that beautiful project over there. It really was very noteworthy. I walked by and said "wow," like I did when I walked...drove by Papaloa Road and saw that large sidewalk and it just raises the value of our community in terms of quality of life, I think. Thank you.

Mr. Haigh: You are welcome. That is why I went into construction is to be able to start from the beginning and then at the end of the day, look at something like that. We are really proud of how it came out and the partnerships that went into getting it done. I really want to give a big *mahalo* for the support for getting us a Transportation Planner. Then of course, the hiring of Michael Moule. Lyle has been really helpful in pushing the Safe Routes to School / Complete Streets and there is a strong Department under Larry's leadership. It is so rewarding to be working with a team and a lot of support there. You know, we get together and go over things. That is why...I will postpone retirement for a year or two.

Ms. Yukimura: Well, as I have told the Mayor before, you hire great people and you can fly as a team. The County can fly and I think we are witnessing



some of that now. It is very encouraging to some of us who have been in the system for a long time to have this synergy of really great people. Thank you and I do want to give you the feedback that I am getting from the visitor industry on the eastside. They are so excited. They come to me and telling me that they started a bike rental program in their hotel. Their visitors are so excited about having something else to do that is family-oriented and is so much fun and keeps them healthy. We have gotten great free public relations (PR) on the bike path. My sister sent me that article from Seattle. So it is having many, many benefits. Thank you. On the electronic review, which you say has been a challenge. We do not know how much time it is actually reducing?

Mr. Haigh: We are saving time, particularly in the commercial...saving time in the total review process. The gateway has been the challenge of people getting their plans into the system. That is what we are working on.

Ms. Yukimura: I am kind of surprised that the system began without being able to take Apple computers. I would guess, given the capacity of Apple that most designers are using that.

Mr. Haigh: I agree with you and that was a challenge.

Ms. Yukimura: Yes. So sort of in the planning of systems, you have to think about the users a bit more. Coming down to your repair and construction services for all County facilities and prolonging the life and maintaining the value of a variety of structures...that is a very, very good goal. But similar to our roads system, do we have a comprehensive analysis? Where are we on preventative maintenance?

Mr. Haigh: We have the system to do it. We have the desire to achieve it. We do not have the time to manage it.

Ms. Yukimura: Okay.

Mr. Haigh: There is a lot of input that has to go into the system in order to be able to utilize it.

Ms. Yukimura: Which is the same thing that the Roads people found out, right? So what you are saying, and you said it throughout your presentation here is that you really lack staff.

Mr. Haigh: Particularly for that task. Because we have a Building Maintenance Manager and he is basically the one who has brought this system along and he has done a great job bringing it along. But he does not have the help to populate the database. With the constant other priorities, there is no way for him to be able to fall back and do that work.

Ms. Yukimura: Also in terms of succession, he is not going to be around for a long time.

Mr. Haigh: It is an ideal time...I mean to bring in somebody, but the fiscal environment does not allow such.

Ms. Yukimura: You know what? Fiscally we cannot not put adequate staff because if you do not take care of your buildings, just as you do not take care

of your roads, the ultimate cost is going to be much more. So to me you are being penny-wise and pound-foolish not to put a position in there. So we need to see or I request an invite at our next budget an honest picture about what your staffing needs are needed to make this work. We are going to face a bigger challenge that we are pushing on our children and grandchildren is what I am saying. When you look at our buildings and what they are serving now, our seniors, our exercise classes, this building, everything. You cannot have County operations without buildings. The nightmare to me, we saw, when we were doing our housing tour and because the State did not take care of their housing, we are seeing affordable housing locked up because it unusable and unsafe and they have to reconstruct, not just repair. So to me it makes no sense to not address this issue with adequate staff. So please at least on my part, I would like to say that would I like to see a proposal for how we are going to take care of this. If we do not, we are in trouble. Then going on, I have been really concerned about the acoustic analysis of our buildings at time of construction and I have sent several memoranda on that. We had to retrofit and I take responsible for that. The Lihue Neighborhood Center was built during my watch as Mayor and we had to retrofit it for sound, because the acoustics had not been paid attention to. Our Convention Hall, you know, besides the fact we can hear the flushing of the toilets in the process of a meeting the acoustics are not good either. If we address acoustics, we could have so many more uses of that building or that room space. Can you tell me whether that is put in the checklist of our design of buildings to our consultants?

Mr. Haigh: That clearly is part of the architectural task. So when we have meeting rooms we need to make sure that they are designed appropriately for sound issues. Normally we address it with wider walls and more soundproofing to address meeting rooms that need a more quiet environment. Sometimes you do hit unique situations and it is important that we look at those. Sometimes we do retrofit repairs, because there are unforeseen consequences.

Ms. Yukimura: I am thinking that we could save a lot of money by addressing the issue upfront instead of doing retrofits, which are always more expensive. Also in anticipating user use, I mean, at the Convention Hall, if we had thought carefully, we could have concerts. Like small...what are they called? The United Way just had these little ensemble music...or we could have song contets. That is what I mean, if you anticipate ahead of time...I am thinking that the Filipino Chamber of Commerce is thinking that way and of course in our Tech Center...that is a key feature. I am thinking in every building, this kind of analysis of user possibilities...maybe it is not just a meeting room but could be used for a chamber music thing. That needs to be upfront by the designer, but more upfront than that would be by us, the County.

Chair Furfaro: I need a question, JoAnn.

Ms. Yukimura: I asked a question and about the concern and need for acoustics being including in our new building procurement or process requirements.

Mr. Haigh: The answer is for our normal buildings like police substations, office buildings, etc. we would expect the architect to have expertise. In doing a specialized building, an auditorium, we would ensure an acoustical engineer is hired.

Ms. Yukimura: And meeting rooms?

Mr. Haigh: An architect should be capable of designing meeting rooms?

Ms. Yukimura: We have many examples that they were not. So if we include it in our specifications for those consultants...

Mr. Haigh: Acoustical engineers are expensive and in general I know of only one meeting room that we have acoustical problems?

Ms. Yukimura: Our neighborhood centers?

Mr. Haigh: I am saying that...I am thinking of an office meeting room. Neighborhood centers is a specialized building and yes, if you do a neighborhood center with a stage like the Līhu'e Neighborhood Center, then it would be appropriate to have an acoustical engineer as a specialty building. I am thinking general office space we would not need to.

Ms. Yukimura: We are talking about public facilities where there are multiple uses?

Mr. Haigh: The Līhu'e Civic Center is a good example of an assembly of meeting rooms, Rooms 2A and 2B, and the Piikoi meeting rooms.

Ms. Yukimura: I am not talking about those rooms.

Mr. Haigh: Okay.

Ms. Yukimura: I am talking about the foyer.

Chair Furfaro: The rest of this discussion can be in a new agenda item, okay? We are talking about design and the agenda item is "budget," okay?

Ms. Yukimura: I just wanted a yes or no answer.

Mr. Haigh: Generally, no. Specialty situations, yes.

Ms. Yukimura: You do not feel any changes are needed apparently?

Mr. Haigh: No, just from what I said.

Ms. Yukimura: I hope your managers think differently. This is a budgeted issue, it costs us more money to retrofit and affects the functioning of our County, even where we hold the foyer in the Piikoi Building, or where the Housing Agency is. Where we hold our assemblies. Those acoustics are terrible and the Mayor has tried to have it for his State of the County address, but it is better where we had it recently because the acoustics are so bad. Thank you.

Chair Furfaro: This discussion can be furthered a little bit in tomorrow's CIP. Okay? There is a difference here that I want to point out. Last year, the same discussion occurred, I sent to you folks some standard "KEN" fix programs...an acronym in the hotel business "keep everything new." Millicent in your general public area

housekeeping...she has responded very well. That is one of the reasons the carpets here are on a maintenance schedule for shampooing and the floors are buffed because she has this "KEN" fix list. Do not confuse this list with retrofitting which will actually cost CIP money. Okay? We also use that list for Lenny when he did the Kapa'a Pool and he did a really good job in getting a very old pool repositioned to be more functional. Let us make sure that we know the difference between staffing and repair and maintenance. Okay? On that note, Mr. Kagawa, you had another question? Mr. Hooser you had questions? Okay.

Mr. Kagawa: Just a short one. Position 1856 Electrician, Equipment Repair it is dollar funded. Are we trying to save money? Is that why we dollar fund it or can we not fill the position? How long has that position been vacant?

Mr. Tabata: That has been vacant since July of 2013. We have been having...we have been able to recruit a qualified electrician for electronic repair work. So in light of the market not being able to hire somebody we are looking at dollar-funding for this next fiscal year.

Mr. Kagawa: So we do not intend to try to recruit?

Mr. Haigh: What we have also done at the same time is that we have provided a maintenance worker to assist the electricians and this is a maintenance worker who is interested in becoming an electrician. So to kind of bring them up, so an opportunity within, that he may actually be able to gain the skills, and legal requirements, to meet the electrician position. It has been very efficient and productive having this one maintenance worker helping out the electricians because he is helping the productivity of the crew.

Mr. Kagawa: That sounds great and I have a lot of electrician friends who tell me that the work is inconsistent and I am wondering why they would not have applied?

Mr. Haigh: I cannot answer for them, but what I understand, things are getting busy out there and we are even having problems getting bids from some subcontractors who are busy bidding larger work. The construction environment is going through a change.

Mr. Kagawa: You might be talking to other people than I am talking to. Anyway, nobody is applying? Nobody wants to get 21 days of sick leave?

Mr. Haigh: When you compare the salaries, the dollars they take home each month, it is greatly less than what the private sector guys get paid.

Mr. Kagawa: I thought the private sector electricians get \$60 an hour?

Mr. Haigh: Most of the skilled construction trades when they work and that is part of the day, that they necessarily do not have constant work. A lot of them do, but when they work, they make good salaries. We advertised the position and nobody applied.

Mr. Kagawa: Are you going to actively pursue it?

Mr. Tabata: We posted for over a year and could not get anybody qualified and Doug came up with the scheme to have a maintenance worker to work with the electricians to gain the experience and skill to then serve as a journeyman, take the exams, and so forth to become a journeyman electrician.

Mr. Haigh: Then the construction maintenance position would turn into a dollar-funded position, which is kind of what we did. We had a dollar funded maintenance position and a fully funded electrician position and we were able to move this one person in as a helper and fund his position.

Mr. Kagawa: Thank you.

Mr. Tabata: So in essence we have created our own skilled trades training program utilizing the people in-house and our own resources to be able to then get to filling the skilled position.

Mr. Kagawa: Thank you.

Chair Furfaro: We are going to go to Mr. Hooser and then in five minute we need to take a caption break and then we need to know that we are going move to Roads next. Mr. Hooser, you have the floor.

Mr. Hooser: I just have a few questions. Very interesting discussion. Regarding the electronic plan review, is there any incentive for people to use that? Do they get cheaper permitting fees or any extra value?

Mr. Haigh: Right now we have said we will give priority review to electronic plan review and we are. Next time we do a new ordinance for the Building Code, my plan is to have additional fees for hard-copy plan review. Because it is much more burdensome on our system to handle the hard-copies. So that will be one we will be proposing, increasing the fees on the hard copies.

Mr. Hooser: Okay. Thank you. The other question, you mentioned when you first started your presentation, something to the effect that you had projects pending, waiting for other permits, sometimes it takes years with the Army Corps of Engineers? Are there funds sitting there, waiting for years that perhaps could be spent on other projects?

Mr. Haigh: That is correct. At one point we had Pono Kai and Moana Kai projects funded and said we will fund one of them and it is extremely frustrating this last fiscal year...we are basically at the same point as we were last year.

Mr. Hooser: So it is the permits?

Mr. Haigh: It is the permits.

Mr. Hooser: So these are Capital Improvements Projects and then we will look at perhaps there are funds there that are not being utilized given the tight budget we are in, to look at similar actions that we may have done in past to use funds for here-and-now projects and when the permits finally come forward to find new funding for them?

Mr. Tabata: We have done that over the last three fiscal years that we have moved money around, but we have to keep a minimum amount, so if the project does turn we are ready to go with at least one. That is what we have done, having funding for at least one of the projects and there are three total in that. One of them is also Aliomanu.

Mr. Hooser: Thank you Chair.

Chair Furfaro: We will go to Mr. Bynum for a couple of electrical questions and then take a caption break.

Mr. Bynum: I do not have any questions.

Chair Furfaro: I am sorry. JoAnn, you have the floor.

Ms. Yukimura: Doug you said our utility bill is going up?

Mr. Haigh: Yes.

Ms. Yukimura: Have we analyzed why?

Mr. Haigh: It is generally increased electrical costs.

Ms. Yukimura: I think we need a careful analysis of it.

Mr. Haigh: We are working with Ben in the Office of Economic Development, our Energy Specialist. We are doing a lot of analyses of where we are spending the money. We are trying to come up with ways...that is part of...like I mentioned the Lihu'e Civic Center...we want to take a look at our existing mechanical systems to increase efficiencies.

Ms. Yukimura: That is good especially looking at expanse into the future. But I still say we need a handle on our electric bill in terms of why? And is it the kilowatt price?

Chair Furfaro: May I interject? We asked the same question last year and in a year you have added meters and added buildings. Is that not part of the reason why it has gone up?

Mr. Haigh: Fire Administration.

Chair Furfaro: We have accepted new space in the Big Save building and so forth, so we have more users, but her point is that we should be keeping track of kilowatt hours separately from the rate and by meters.

Ms. Yukimura: Do you see that somebody's meter is going beyond the norm? Or not? I mean, we need to know that and analyze it. Then what about our photovoltaic system? Is that not helping?

Mr. Haigh: It provides electricity, yes. But at the same time, we added that, we added Fire Administration.

Ms. Yukimura: Well, that is the kind...that is why we are asking for an analysis, so we can see if we added on, as much as photovoltaic is contributing, then we should be flat.

Mr. Haigh: We have been working closely with the Energy Specialist in the Office of Economic Development to analyze our system and we are relying on assistance there to do the analysis.

Ms. Yukimura: So then we can ask them as a follow-up to come in and address this issue with more detail?

Chair Furfaro: We will do that as a follow-up, JoAnn. Please note, my point is that we have added units. Now I want to wrap this up, but we have to take a break, too. Do we have any more for the Building Division at this point? No? We are going to take a caption break and tape change here. 10 minutes. We will be back with Roads. Thank you, gentlemen.

There being no objections, the Committee recessed at 11:06 a.m.

The Committee reconvened at 11:18 a.m., and proceeded as follows:

Chair Furfaro: We are back from our caption break. We are going to start on the Roads Maintenance Division. Ed is here. Okay. Ed, you might have heard earlier, there was a red-flag item in some testimony that we got about a metal plate that is covering one of the roads, perhaps for much longer than expected in terms of time. We would like to give you the floor, but we would like to hear if there is any particular way that we are going to address that earlier, rather than later? But I will let you start with the floor, first. Larry, are you doing the opening? Is Ed doing the opening?

Mr. Dill: Ed will open the presentation. I will give a 30,000 foot level overview of the long-range funding plan that we discussed in earlier meetings.

Chair Furfaro: Okay.

EDMOND RENAUD, Chief of Roads Maintenance: Good morning, Council Chair, Councilmembers. Ed Renaud, for the record. I am going to go real fast through the budget and I want to ask one question, first, Chair are we talking about Waipouli Road?

Chair Furfaro: Yes.

Mr. Renaud: That is going to be taken care of very shortly. We are working with the water group that is coming down. That is being designed.

Chair Furfaro: We will come back to that as a question, but it seems to be a while since it has been addressed and we will give you the chance then. Go ahead with your presentation.

Mr. Renaud: I am just going to go through our objectives in the Roads presentation. The Maintenance Management Information System (MMIS) program is doing real well. The individual supervisors in the field are moving along. It is

very accountable. It has made things very easy. What we used to do before long hand, this way we can go back any time and any year and research anything that we need to know, whether it is a pothole or accounting, what have you. So that system is doing real well thanks to the Administration and our people here. It is still going on. We have another 12 months to complete that program, but it is working out real great with our people. The levees and again thank you to our Administration and all of you. It is working out real well. Grassing is coming out nicely. If you have a chance to look at the grassing and the irrigation, it is moving along. Both grassing at Hanapēpē and Waimea, at Waimea we are changing the floodgates, five of them at Station A where it did not really open before and this way we can control the flooding.

Chair Furfaro: I keep watching the screen.

Mr. Renaud: There is nothing that is going to happen there...I am sorry...my apologies.

Chair Furfaro: Can we turn the lights back on and move forward?

Mr. Renaud: Then the other thing on bridges and what not...we are working closely with Engineering and the structure person there and designs are implemented and looking at all the bridges that need to be maintained immediately. Another objective that we did not put in, but we are working with Engineering to try to partnership on being proactive on both Roads and Engineering and with the new Division Head. It is working out well, thanks to Larry and Lyle. I think I pretty much have covered the most important parts, and I am going to turn it over to Larry.

Mr. Dill: I am going to go to the PowerPoint now. So if you could take another chair there, Chair, if you would like?

Chair Furfaro: It is like being back in school.

Mr. Dill: There was some discussion in previous Council Meetings that we have had, where we have made presentations to you and indicated the significant expense that we anticipate in repairing all of our roads doing resurfacing overlays, full reconstruction, slurry seals, seal coats, crack seals, and things like that. We showed that if we go out today and try to repair everything out there all at once, large and small, we would come up with in the neighborhood of \$100 million in costs. This is an overview of a plan as to how we can begin to attack some of those costs. A little background, the County owns about 301 miles of roads. About 134 of those are miles of local roads. Those roads have to be funded through County funds alone. About 167 miles are classified as Collector Roads which as you know qualify for 80% Federal Highways funding generally speaking. In addition to that approximately 154 lane miles of State of Hawai'i, Department of Transportation owned roads. In addition to that, just for the record, also private roads are not listed on this. As you know, we have three County baseyards out of which we base our operations out of for repair and maintenance for all of our roadway systems on Kaua'i. These are at Hanalei, Kapa'a, and Hanapēpē. We have talked before about the Micropaver software application that we are in the process of implementing. Using Micropaver will help us to prioritize our limited resources so that we can attack these roads in an efficient manner. We take a look at the type of magnitudes of travel and I have listed the various types of categories that those fall under for priorities of roads. We have a priority index based on the remaining service life and pavement and



condition index. We have presented to the Council in the past. We have already done that inventory of all of the 301 miles of roads so we have those particular things already quantified and in the process we are beginning to input that into the Micropaver application. Following up on those two sets of information, we do a follow-up field reconnaissance to confirm our visual inspection of the surface status of the road repair wise. Until you do actual core sampling, you cannot confirm 100% what you actually have out there in the field. That eliminates all surprises and allows us to get a much better estimate of costs and scope of work we need to do in the field and of course, we get accurate measurements. Recently as you know, we came to Council for approval of three Collector Roads that are also eligible for Federal Highway funds. For those, we did the core field sampling to verify our assumptions. Finally, various treatments that we pursue. Reconstruction of a road, by the way, reconstruction is the one element that would qualify for County Bond funding. The rest would not qualify for Bond funding...pavement preservation techniques of cracked sealings, seal coats, slurry seals, or overlays. That is a 30,000 foot level of what we are working on through the Micropaver application in the Roads Maintenance Division.

I wanted to show you at your request, what we are looking at as far as means to begin funding some of these very expensive items. I have titled this "Draft" for discussion purposes as there is a lot of fine tuning remaining as to how this will actually be implemented. Some of the assumptions are our current Highway Fund revenues would remain flat at \$13.3 million. Just for the sake of discussion today. As you may know, the \$13.3 million that we are currently experiencing is based on \$4.7 million in Public Utility Franchise Fee, \$4 million in Fuel Tax and \$4.6 million in the Vehicle Weight Tax. That is based on our current revenue stream. Also you will see in Fiscal Year 2015 we are proposing \$12.9 in Highway Fund expenses in your Roads Division and for the purposes of projections we will assume that remains flat. We are proposing in the concurrent Fiscal Year, eligible for Highway Funding, \$3 million. I am making certain assumptions about Federal Highway funds being available that you see under "projections," and finally as we have discussed to Council in the past we are proposing to do a biannual or every two years to go out with an Islandwide Road Resurfacing Project in order for us to get a better bang for our buck, because we will have a greater amount of money available every two years if we do projects and hopefully gain some economies of scale. More assumptions and I want to mention that our Director of Finance is here and we have been working closely with our Director of Finance to make sure that he is in concurrence with some of these draft projections for discussion purposes only. So first, we are discussing a Weight Tax increase. You probably have seen in the budget that we are coming forward with a proposal to increase the Vehicle Weight Tax in Fiscal Year 2015 and this is what I am showing to you is consistent with that. This is also proposing additional increases through the Fiscal Year 2017 as shown there. You get passenger vehicles from one and a quarter cents per pound to three cents by Fiscal Year 2017 and freight vehicles from two and a half cents up to four cents per pound in Fiscal Year 2017 and I understand these proposals are not inconsistent with what the State and rest of the counties are seeing for their taxes. A couple of Fuel Tax increases nothing in Fiscal Year 2015, but \$0.02 increase in Fiscal Year 2016 and a couple years later a follow-up of another \$0.02 increase and I believe again these are not that inconsistent with what other counties are seeing out. Finally with regards to the Bond Fund, I do not think that we have plans in the immediate future for a Bond Fund proposal. I am not ruling that out, but just for the sake of this discussion, not including any anticipated Bond funding in the projections that I am going to show you today. A lot of numbers on this screen. Basically starting on the very top right you see a little over \$3.9 million of Highway Fund balance forward. The balance available in the Highway Fund to roll forward to Fiscal Year 2015. The Weight Tax is the \$1.179 million is what I just talked

about earlier, the proposed increase. Contribution to the Transportation Agency would leave in the Islandwide Road Resurfacing for this year, we plan on expending \$2.435 million which is the culmination of two years' worth of appropriations of Council funding. So that would happen in the current Fiscal Year 2015. The following Fiscal Year, rolling forward the \$79,000 left as a balance forward, additional Weight Tax and then the Fuel Tax that I talked about, and then you can see Islandwide Road Resurfacing I do not show any amount in this cell here, zero. Again, we would do a two year appropriation. No Islandwide Road Resurfacing project in Fiscal Year 2016. This amount would then be available to roll forward into the following Fiscal Year. What that means...all of the same sort of increases take into account in Fiscal Year 2017. We would then have funds to do an Islandwide Road Resurfacing project estimated at \$3.89 million in Fiscal Year 2017 which would exhaust all of the funds in the Highway Fund at that point. There would be no funds to roll forward. Again, we go through the same sort of scenario in Fiscal Year 2018 and 2019, no Islandwide Road Resurfacing project in 2018 but we would have, thanks to the rollover of \$4 million and the revenues in Fiscal Year 2019 we would have a little over \$8 million available to us in Fiscal Year 2019 to do road resurfacing.

So finally, I take those same numbers and bring them forward and this is our...the Chair asked for a ten year projection...this is actually eleven years because I wanted to show the final...at the end of the second year of that biennial project showing when that would go out. You can see Fiscal Year 2015 again, \$2.435 million is the number. If we take out of that \$2.435 half a million dollars and leverage that against Federal Highway funds, we would have a total of between County funding and Federal Highways funds of \$4.4 million available for roads resurfacing. So the scenario repeats itself through these years and you can see that at this point the number remains the same. As I mentioned I have flat projections in there. We have Weight Tax and Fuel Tax increases, which will be fully in effect by this time. I am not projecting any additional increases for the sake of this discussion today, beyond that. So this gets us total of just under \$57 million of total funding through the next 11 years. So we feel that this would be a way that we could gravely accelerate the road resurfacing that we are doing currently and put a significant dent in that \$100 million. Obviously there are tough decisions to be made about tax increases that would be necessary to fund this. But for the sake of discussion today, we wanted to share this with you. That is the presentation. With that we would be happy to open it up to questions.

Chair Furfaro: First of all, Larry, I want to tell you how much I appreciate the fact that when I asked to you put together a 10-year projection that says okay, if we isolated our roads inventory especially after we do some coring, you know, what is our best scenario in addressing our roads in a 10-year period? You have got almost \$57 million that can be available to us for this resurfacing slurry seal and so forth and yet we might also find some roads after we do some testing that may not be as critical as the report said. In fact, these reports have a tendency to show you the worst scenario rather than the actual. So 2015-2025, projected almost \$57 million that could go towards road repair. Thank you for doing that. Thank you very much. We will start with questions. JoAnn?

Ms. Yukimura: Yes. I want to thank you, too. This is towards the direction of what we have been looking for and it really helps to have the context for the proposed increases in fees that you are asking for, you know? We can see how they are proposed to be used for and that it is moving us towards repair of our roads that are functioning. So it really helps. I know it was a short timeframe for...in which for you to do

that, but thank you. A question. The 300 miles of county-owned roads, are those lane miles?

Mr. Dill: No. As you can imagine, the vast majority of our roads are one-lane roads?

Ms. Yukimura: One-lane?

Mr. Dill: One-lane each direction.

Ms. Yukimura: Yes. So it would be 300...600 lane miles, probably? No?

Mr. Dill: No. One-lane each direction is one-lane mile.

Ms. Yukimura: Okay. All right. Thank you for explaining that. 167 miles of Federal aid Collector Roads that is what is eligible for Federal funding even though it is in County ownership?

Mr. Dill: Correct.

Ms. Yukimura: There are about 300 miles on our island that are eligible for Federal funding, we would add the 154 lane miles of Department of Transportation (DOT) owned roads plus 167 miles of County roads that are eligible for Federal funding?

Mr. Dill: Correct. Approximately.

Ms. Yukimura: So we have about 300 roads? Then your projections did not...well, actually they were just revenue projections. So you do not yet know how many roads that would cover?

Mr. Dill: That is correct.

Ms. Yukimura: Okay. So the issue of new roads added is also not addressed here?

Mr. Dill: That is correct, yes.

Chair Furfaro: May I add something? It also gives us some time to be thinking about various associations, maybe some assessments for new roads as it relates to future repair and maintenance? It gives us some platform to be talking about a different approach, too, for any new roads.

Mr. Dill: Yes, it would give us some data to support that sort of effort as well. That is right.

Chair Furfaro: Thank you, JoAnn.

Ms. Yukimura: Lastly on page 5 your Federal Highway funds availability is an assumption. What do you mean here? That there will be moneys available is what you are assuming?

Mr. Dill: Yes, how much money that will be available is always the question. We are right now at the beginning of a new four-year cycle for the Federal Highway funding program and they have been telling us that we can anticipate that the County of Kaua'i will be eligible to receive in the neighborhood of \$8-9 million and that is not just for Islandwide Road Resurfacing.

Ms. Yukimura: Over a four year period?

Mr. Dill: \$8 million per year for four years. That is not just for resurfacing, but we do road reconstruction and bridge projects all eligible for Federal Highway funding and we have many projects that are taking up the vast majority of that funding that was projected on the books today. So part of it relates to support from Engineering, with the Engineering Division now able to do some work in-house, we are hoping to be able to develop projects to be "shovel-ready." It often occurs during the Federal Fiscal Year that funds are available because another project drops out. So that is part of what we are leveraging and the Engineering Division's ability to get those projects out.

Ms. Yukimura: That is excellent. I think you have examples of where we were ready and other counties dropped out and we were able to grab that money. That is wise planning I would say. The \$100 million included bridge repairs? The \$100 million...

Mr. Dill: No it did not.

Ms. Yukimura: It was just repaving?

Mr. Dill: Just roads, yes, no bridges.

Ms. Yukimura: Okay. But the \$8-9 million a year of Federal Highways Administration funding goes for both bridges and roads repaving.

Mr. Dill: On qualifying roads, yes. Collector Roads, yes.

Ms. Yukimura: Until we know...we have a projection of our bridge repairs, we do not really know how much Federal moneys would be available for repaving.

Mr. Dill: Correct. You will notice on the last slide, I have estimated again just for discussion purposes \$2 million rising to \$4 million every other year. Our total estimated Federal Highway Funding we are being told we can anticipate \$8-9 million per year. So beyond what I am showing in this table what would be eligible and available for reconstruction projects or bridge projects.

Ms. Yukimura: So your Federal funds on page 8, where you showed \$2 million in Fiscal Year 2015, that is \$2 million out of the \$8 to \$9 million a year that we would be getting?

Mr. Dill: Correct. So Fiscal Year 2016, I do not show any Federal Highway funds meaning that the entire \$8-9 million could be eligible for other projects.

Ms. Yukimura: I see.

Mr. Dill: Fiscal Year 2017, \$2.4...

Ms. Yukimura: So you have been very conservative in your estimate of how much might be available for funding Federally.

Mr. Dill: We do have as I mentioned other projects that are already eating up the vast majority of the \$8-9 million a year and that is part of the balancing act as well.

Ms. Yukimura: What are those other projects? Are they new construction?

Mr. Dill: I do not have the list, but they are all CIP projects that we will talk about in more detail tomorrow.

Chair Furfaro: I have got that note down here for Keith Suga to give us a little bit more information on that.

Ms. Yukimura: The other thing that I noticed is on page 7 your assumption is that the amount that goes to Transportation remains the same over five years?

Mr. Dill: Well over the length of this projection, that is correct. Actually for 11 years, Fiscal Year 2015 through 2025.

Ms. Yukimura: Right. So our ability to grow the bus system operationally...well, is not in this scenario?

Mr. Dill: Not in this scenario. That is correct.

Ms. Yukimura: Which is why I have been looking for another sustainable source, which is why I have talked about the half a percent earmarked and I know Councilmember Bynum is against it, but the way I justify it is it is a regressive tax. It really affects the poor people much more, but when you put it into the bus system, the bus will service those people most of all. They are the ones who need it to get to work, to get to school. So it goes back to them is how I see it. Rather than being spent on tourist-related...that is why I so opposed the Council of Mayor's projection to use half a percent for anything, because it will probably go for tourist-related impacts and I cannot see that except to the extent that the bus is helping tourism. I think that is the end of my questions. Thank you very much.

Mr. Dill: I do need to clarify one thing I said...one center lane mile is two lane miles of road, one lane in each direction.

Ms. Yukimura: So it is 600 lane miles, right?

Mr. Dill: Yes.

Ms. Yukimura: The 300 miles of County owned roads is actually two-lanes?

Mr. Dill: It would be 600 miles of road, if all the roads were one-lane each direction, but we have a few that are more than that. So a little greater than that, in fact.

Ms. Yukimura: You have some that are actually the width of one-lane.

Mr. Dill: That is true too. Maybe there is some balancing, you are correct.

Ms. Yukimura: Still 600 miles...lane miles, just makes it apples-to-apples. Well, except that the DOT lanes are often wider.

Mr. Dill: Yes.

Ms. Yukimura: Okay.

Chair Furfaro: You have some you make up that are narrower, but let us face it your description was not only by doing one-way streets, it was both ways.

Ms. Yukimura: Thank you very much.

Chair Furfaro: Questions here? Mr. Bynum?

Mr. Bynum: If I ask a question that was asked when I stepped out, just tell me that and I will look at transcripts. I am serious, I do not want to waste any time. The Roads Division historically I believe offers lots of manpower and work and trucks and equipment to other Divisions and that is still the case, correct?

Mr. Dill: Yes.

Mr. Bynum: It is kind of a broad question how that is working out. My memory, one of the things that we purchased was a mobile stage, that...was it not the Roads guys that used to build the wood stage and tear it down and put it up and tear it down? So is Roads still involved in that?

Mr. Tabata: Building Department and the mobile stage is housed at Parks.

Mr. Bynum: I am mentioning that as an example of an investment that freed up labor time. You do not have to deal with that anymore, right? Building stages and storing them and tearing them down?

Mr. Tabata: We still assist with mobilization.

Mr. Bynum: So how much progress are we making on Roads Division being able to spend the majority of their time focused on their core mission and less of their time providing assistance to other Divisions? How are we doing with that generally?

Mr. Dill: Go ahead, you want to speak to that?

Mr. Renaud: We are doing fairly well. You have to take into consideration at the two big baseyards we average 12-14 people a day, including the Clerk. That gives you an idea with an operation of 6-8 men, you kind of have to weigh it out. So we are fairly helping, I have to say.

Mr. Bynum: So it is part of your Division, you do all of the road maintenance and all of the projects and put out the bids for the big reconstruction? All of that is your responsibility, right? In addition to that you have storm responsibilities, keeping drainages open, like the Olohena Bridge has spouts that core off the road that have to be cleaned? That is ongoing regular maintenance and that is your Division as well, correct?

Mr. Tabata: That is part of the software that the Roads Division purchased for the computerized maintenance information system that they have and are continuing to input all the data of the County assets, meaning the roads, the canals, ditches, bridges, storm drains, etc.

Mr. Bynum: That is in Micropaver?

Mr. Tabata: No, that is in the system. We bought two systems, one for the overall computer management information management system and Micropaver is a cascade down that just specifically deals with roads index, pavement condition index, and remaining service life. So they all feed into...it feeds into this maintenance management. It is kind of like what Buildings has, but more streamlined to the Roads requirements. So they are in the process of still inputting all of the assets. It is a work-order system. There is an asset management system that comes out of that, that allows them to track when was the last time that they did this certain maintenance? Or reconstruction? So all of the daily needs comes off from the schedule that the system, in the end after we input all of the data, will create for us. So say roads mowing, they have a schedule in each baseyard to start from point A and end up back at Z and continually go and complete depending on the cycle. Of course guinea grass grows 3 inches a day and up to 5 inches a day during the summer time. You know, we have got our hands tied with roadside maintenance.

Then we have also created the special construction crew. We bought a whole bunch of tools for them. We bought a vector so that they can do their own storm-drain cleaning and they are taking care of storm drain cleaning now with their own equipment. They used to borrow Wastewater's but every time they borrowed it, they have to clean and sanitize their truck. So we bought a truck special for the Roads Division. Ed created a special construction crew that will also do the repair and maintenance of bridges, some certain things that this crew will do on their own. We also implemented in the last three years to install guardrails. So as Engineering designs the guardrail, they can install it themselves. Then recently we received a thermoplastic machine that allows us to do crosswalks and stop bars. It will not allow the whole length of road, but specific areas and the latest equipment that we received is the pot-hole repair truck. You saw a little bit of that in the Administration's presentation, where we have one truck carry all the materials where the manpower to do specific pothole repairs and to an extent, some of the pictures that you did see was a little bit larger section of repair.

Mr. Bynum: Thank you for sharing with me the thermoplastic and I do not have to ask that question. That is my question every year.

Mr. Tabata: They got a bunch of tools and Ed reorganized the Division to really move them forward.

Mr. Bynum: So all of these software programs...I am learning something that I did not know, all feed into Graphical Information Systems (GIS) eventually?

Mr. Tabata: We hope that it will, yes. It is a part of it.

Mr. Bynum: So if you were here for the Engineering discussion, you know I am focused on the storm water responsibilities that you have. I did not know that was part of this maintenance and tracking...that is wonderful and I appreciate that. I will just use it as an example. One way that I learned about this besides conferences is when we redid the bike path there is a storm drain at Wailua Beach and we replaced it with something that catches sediment? Right? That is the right thing to do and I want to see more of that and I asked the earlier question how we develop a culture in the County where that consideration is thought of each time? So I do not want to belabor it, but that is a kind of question that I will be asking if I am here in the future and monitoring that. Now that we have allowed Public Works to manage these systems on their own without political influences and without other outside influences, I am very excited about the presentation that was just given about putting the appropriate tools in the hands of the workers. I am working on a policy level what we might implement in terms of expectations for the County? In the future and I want to have the dialogue about the total cost and not just implementing better storm water systems and thank you again for all the opportunities I have heard about.

Chair Furfaro: Larry over the next several months, I am going to be revisiting a lot of these particular things especially as the shifts we have made in consolidating repairs, those actual costs? The retraining. The re-equipment purchases that we bought, so the people have the right equipment to do the right job and all of those have had impact on depleting our funds, okay? We have to tell a good story here, too, that says the net by the of the spending of those things is that we have these proficiencies. One of the things that I wanted to share with you and this is good news as well. I am going to share copies with the members. In the last three years we have improved the overtime and I am going to touch on some other Departments because they were used for Roads Maintenance even though they were in Solid Waste, or Disposal or so forth. They have been used for these improvements. But we have our overtime in Disposal down 46%. Our overtime for the Collections area is down 85%. Our collection in Recycling is down 53%. This is all good news because our people are getting the right tools to do the right job and a lot of automating is occurring and this is setting a really good tone for us when we had used a lot of people from Roads in Collections and so forth. So I just wanted to point out that we are on a good direction here and thank you very much for that focus. I am going to Mr. Kagawa here.

Mr. Kagawa: I want to echo what the Chair said, all the positive things that have been happening. You know, I agree with Councilmember Bynum, the Roads Division has a wide spectrum of responsibilities. I know the levees are part of your work. Do we get any Federal assistance for all of that work on the levees?

Mr. Dill: Not directly, I would say. It is our responsibility to make sure that the levees are maintained with the U.S. Army Corps of Engineers and



when we do, that means they will assist with funding for any repairs that need to happen. We do not get funding for ongoing maintenance. They built them and it is our job to maintain them.

Mr. Kagawa: There are two levees that we maintain, Waimea and Hanapēpē. How many...are the hours going...the man hours going up? Or is it pretty much flat?

Mr. Renaud: There is no overtime.

Mr. Kagawa: I mean the regular man hours. Are those hours going up because the levees are getting worse? Or is it basically the same? Do we spend a lot of time out there? Our crews spend maybe one day a week out there, or less?

Mr. Renaud: They spend two or three days a week?

Mr. Kagawa: Just on the levees? Wow. I think I know there was a request that I made. There is a little before the crossing in Waimea River, before the swinging bridge. There is an island, a huge island with a huge 30-40 foot tree growing in the middle of the river. I know Mr. Morikawa knows about it and Mr. Suga, but it was a concern of the Makaweli Taro Farmers that it is a flood hazard because you should not have an island smack in the middle of the river. So it is very concerning, I think. If we can look at it. I know that Mr. Suga mentioned there were all kinds of permits that would be needed to bring heavy equipment into a flowing river and it requires all kinds of Environmental Protection Agency (EPA) permits and such. I want to know if we are going wait for the State to address it or the County? To let a 40 foot tree grow in that area means that somebody has got to do it at some point. That water will be diverted elsewhere and somebody on either side is going to suffer. I do not know if you can look into that one.

Mr. Tabata: Councilmember that is the Department of Land and Natural Resources' (DLNR) responsibility and we will be working with them.

Mr. Kagawa: Thank you. Last question, I think is the goal of...I know this is projections only. So I do not want to go really deep into it, but I know we are projecting to Fiscal 2017 and 2016, and 2018, I am on page 6. I am trying to understand the implement of Fuel Tax increases. So we are going to go \$0.02 per gallon. So is the Fuel Tax currently \$0.02 and we are going up to \$0.17?

Mr. Dill: I apologize it is not clear. Currently it is \$0.15 per gallon. \$0.02 increase to \$0.17.

Mr. Kagawa: That is great. I just wanted to check on that. It is not that it is great, but I am alarmed our gas...I just want to fill up yesterday at the cheapest place Costco and it is \$4.54 and I am like, wow, are we going to hit \$5.00 soon. If we were going to increase \$0.15, I was going to have some serious concerns as to whether we are dealing with reality but it is okay. It is at \$0.15 now, that is great. The Vehicle Weight...so we are looking at the freight vehicles which is the one I was worried it is going to hit, our businesses and impact them as well as the employees...we are proposing a half percent this year or half cent this year? So are you saying it is going 2.5 cents to 4 cents, so are we assuming half cent per year for three years?

Mr. Hunt: On the freight.

Mr. Kagawa: On the freight?

Mr. Hunt: That would be the projections that...I am sorry,  
Steve Hunt, Director of Finance for the record.

Chair Furfaro: Thank you.

Mr. Hunt: As far as the increases that we are looking at, the current one for Fiscal Year 2015 includes three-quarters of a cent to the passenger and half a cent to the freight. The following two Fiscal Years 2016 and 2017 include a half cent in each year both to freight and to passenger which brings us up to the State average currently for Fiscal Year 2014 which is \$0.03 for the passenger vehicle and \$0.04 for the freight vehicle.

Mr. Kagawa: So with the increases to the passengers we go to  
up State average of \$0.03?

Mr. Hunt: Yes.

Mr. Kagawa: For freight, what is the State average?

Mr. Hunt: \$0.04.

Mr. Kagawa: By Fiscal Year 2017 we hit the State average for  
both categories?

Mr. Hunt: We would hit the current fiscal average  
assuming there is no movement there but we would be where we are at today at the State  
average.

Mr. Kagawa: I voted no to these throughout but I think it  
sounds reasonable. Thank you. Thank you, Chair.

Chair Furfaro: You are welcome. Gentlemen, Mr. Dill, I do want  
to say that I do want to stay on target and we have a preliminary plan for funding on  
Roads, but before we break for lunch, I do want to know about the metal plate on the  
bridge. Ed, can somebody respond to me? What is our projection?

Mr. Dill: Ed reminds me which particular location that is.  
We have been working with the East Kaua'i Water Users Cooperative because the culvert  
underneath that road where that is failing serves part of their irrigation system and they  
have been indicating to us for sometime that they were working on funding for a program to  
repair that. They have very recently come back to us and said they have very quickly  
allocated or very suddenly got the funding, but has a very short timeframe associated with  
it. So fortunately, thanks to the Engineering Division, because one thing that they said we  
need an Engineering plan drawing, a construction drawing and speaking to a smaller  
project plan that we need to get out and we are assisting the East Kaua'i Water Users  
Cooperative so that they can get that funding and we are doing a joint venture with them  
whereby they will be doing a lot of the culvert work and we will finish the road resurfacing.  
The initial effort is to get the plans drawn in April, I believe is the date?

Mr. Moule: Yes. We are trying to get it done by the end of this month.

Mr. Dill: Okay. So early April. Then we will secure the funding and follow-up with construction. I do not have a firm timeframe for you on the construction. I would have to get back to you on that.

Chair Furfaro: Give me something fair and reasonable, not another ten years, okay?

Mr. Dill: Definitely less than ten years.

Chair Furfaro: Fair and reasonable.

Mr. Dill: Well, it is difficult for me to say, because the East Kaua'i Water Users Cooperative are the lead on this project.

Chair Furfaro: Remind them that they get money from us, too.

Mr. Dill: So if I could inquire with them and get back to you Chair.

Chair Furfaro: That is fair, but we would like something that puts a date out there that we know it is attainable and it is realistic and we will do it collaboratively. JoAnn, question?

Ms. Yukimura: Questions?

Chair Furfaro: Gentlemen, can I have your attention for Councilwoman Yukimura?

Ms. Yukimura: On page 4 where you have "treatments." Which ones come under our repaving contracts?

Mr. Dill: Under our Islandwide resurfacing we are currently doing reconstruction and I am sorry the last four should be a sub bullets underneath "pavement preservation" so in your mind indent those last four. Currently the only one in the contract is the overlay of milling out of a certain amount of road and putting down 1.5 inches of asphalt. We are looking at implementing these other methods which would be less expensive implementations to preserve pavement life.

Ms. Yukimura: So the crack seal, seal coat, and slurry seal would be done in-house so to speak.

Mr. Dill: A combination. If you put it out with the Islandwide Resurfacing Project, we will probably outsource if there is a fair amount. We are looking at possibly doing some of these in-house as well, but we are still looking at that whether to outsource or do it in-house?

Ms. Yukimura: Are you saying that the bulk of our repaving projects are reconstruction?

Mr. Dill: No.

Ms. Yukimura: No? It is mainly what? What is it? Overlay?

Mr. Dill: Correct. That is in the context of Islandwide Resurfacing. We have projects like the Puhi Road project coming up soon which is a complete reconstruction project. But that is not what we call a part of our Islandwide Resurfacing. That is a separate CIP project.

Ms. Yukimura: So when we do the every two year repaving contracts out, it is reconstruction on the really bad parts, but mainly overlay? Is that what you call “resurfacing?”

Mr. Dill: Correct.

Ms. Yukimura: It includes...well, okay. The crack seal, seal coat, and slurry seal are?

Mr. Dill: For instance if we resurface the road, or reconstruct...do a reconstruction of the pavement, we are looking at...we would come back in the relatively short timeframe, say three years and want to put a seal coat or slurry coat and maintain it and extend its service life by doing comparatively low-cost maintenance.

Ms. Yukimura: So those are truly preventative?

Mr. Dill: Yes.

Ms. Yukimura: I am thrilled to hear about all of the equipment that our crews are getting because without the proper equipment it is really hard to do their jobs. But I am concerned about keeping the equipment in working and functional condition. Way back when I was Mayor, one of the issues was operators not knowing how to use it and therefore, breaking it down and we were looking at shop time and backtracking as to why is it in the shop so often? So training and care of equipment, like servicing and stuff, that is hopefully a routine process?

Mr. Renaud: With policies that has changed within Roads, thanks to Scott Suga, because we have impressed on him and he has impressed on his supervisors about maintenance. For example, there was a call this morning and something happened where there was a flat. So I heard him on the phone and they are saying hey, do you not check your tires before you go out? So he was very upset. So we are trying to train them and Scott is doing an excellent job on that. Maintenance and all of this because of the new equipment, this is why we have the special code for those specialized equipment. So that we can have the same operators on there. Then we are looking also at the other Roads equipment and the same thing is happening.

Ms. Yukimura: Great. Trained operators, people who know how to use the equipment?

Mr. Tabata: Specifically when a new piece of equipment comes in, the manufacturer’s representative sent a trainer to train our crew on operations and maintenance. We recently completed the training for the thermoplastic machine. So

those are things where the manufacturer's representative comes down and sends their trainers to train our people.

Ms. Yukimura: That is on the first cut with a new machine, but if you have new workers coming in, you are still training?

Mr. Tabata: Yes. Our Auto Shop is involved in the training also so they know if there are specific needs for the equipment.

Ms. Yukimura: I am very glad to hear that those issues are addressed.

Chair Furfaro: Auto Shop will be next on the agenda after lunch. Go ahead.

Mr. Kagawa: Thank you, Chair. A lot of our complaints about bad roads, I think we have some pothole problems that perhaps if we patch up potholes properly, then I think we can extend the life had a little bit more. Glenn was talking about the regular cold mix and using asphalt with the heavy rain and I have seen where you have fixed some like Oloheua Road and the heavy rains...you can start to see the potholes developing again. Is there perhaps another way to go? I know you are going to stay away from hiring a contractor to do potholes, but maybe we can use concrete? Is there another way or another theory that we can go with that perhaps that can deal with the potholes?

Mr. Renaud: We have picked up this patch mix, which is a permanent fix. As long as we take out of water and square it, we can use that.

Mr. Kagawa: So it might be more durable than the current way?

Mr. Tabata: We also picked up, as we mentioned and you saw the pictures at the Administration's presentation of the pothole repair truck. We can do a Committee update for you to show you? They did some trials. They have been practicing on some roads. It is a hot mix.

Mr. Kagawa: A good place to practice would be Puhi Road.

Mr. Tabata: It is a CIP project and we will update you on that tomorrow.

Chair Furfaro: The offer was made. If Mr. Kagawa wants it in his Committee we can do that.

Mr. Tabata: Yes, we can show you the new tools that we have been purchasing over last few years and what the crews are using the tools to do out there. Some great things that we need to share what we have been doing.

Chair Furfaro: When we come back after lunch, we are going to go to Automotive and in the afternoon we are doing Wastewater and Solid Waste in the afternoon. Okay? We are going to break now 10 minutes past 12:00 p.m. and we will be back at 1:10 p.m. We are on a lunch break.

There being no objections, the Committee recessed at 12:10 p.m.

The Committee reconvened at 1:14 p.m., and proceeded as follows:

Chair Furfaro: We are back from our lunch break and we are moving right along to Auto Maintenance Division. Gentlemen, I will have you introduce yourselves.

LYLE TABATA, Deputy County Engineer: Lyle Tabata, Deputy County Engineer.

DWAYNE ADACHI, Superintendent: Good afternoon Councilmembers, Dwayne Adachi, Automotive Division.

Chair Furfaro: Thank you. I guess part of my concern in the Mayor's message was a very aggressive statement about the maintenance of cars and kind of a car baseyard and so forth. I would like to know how do you folks see that impacting your Division and then we will let you make whatever presentation you want.

Mr. Adachi: Are you referring to the potential motor pool?

Chair Furfaro: Yes.

Mr. Adachi: Basically the intent is to streamline the fleet and try to get rid of vehicles that we really do not need. Try to make the fleet more manageable. Impact wise to our operation, I would not say that there would be a huge impact because we actually performing maintenance of all these vehicles anyway. All we would be doing is getting rid of some of the old stuff and consolidating some of the vehicles we already have into a pool.

Chair Furfaro: How many vehicles all together does your shop maintain on a regular basis?

Mr. Adachi: Vehicles total?

Chair Furfaro: Just vehicles, yes.

Mr. Adachi: I would say about four hundred (400).

Chair Furfaro: Four hundred (400) vehicles. How many would we anticipate that is going to be retiring from the fleet? And I assume the four hundred (400) includes Police.

Mr. Adachi: Police, yes. We are looking at twelve (12) vehicles right now to possibly retire.

Mr. Tabata: We have been working with Economic Development, Deputy Finance Director, we have this Committee and we initially identified, like Dwayne mentioned about a dozen pieces of equipment just in the Lihue Civic Center to begin with. As we see the synergy of...and what we did was we did a summary of use daily, how many miles each vehicle has been used, and how many hours a day. Some vehicles travel short mileage but they are out in the field all day long. We did a survey to identify potential vehicles right in the Lihue Civic Center area. We have a pool identified

of older vehicles that we are looking to pull off the lot and create this pool. Of course it relies on a software that will help identify what is available and when so you can go on-line on your computer in the office a day or a few days ahead of time so that we can preprogram the vehicles used. Part of it is the older vehicles which many of them are just gasoline vehicles, so we are looking at monopolizing the vehicles that are electronic or the multi-fuel vehicle that uses...

Ms. Yukimura: The hybrids, yes, and have them be the vehicles that get primarily use first versus our gas guzzlers.

Chair Furfaro: So would we say that the goal that has been portrayed to us by the Administration even though maybe only starting with a hundred (100) vehicles here in central Līhu'e is the goal about a three percent (3%) reduction in vehicles? What is the goal about fleet reduction? That was not clear to me.

Mr. Tabata: We cannot answer that right now. Like I mentioned, I just recently joined the group and they have done the surveys and I think it would be an answer better served by Economic Development because they are leading the charge.

Chair Furfaro: Okay, fair enough. It is just that it became a part of the Mayor's message but there were no quantities in the message. I just wanted to find out if we have given that much thought but...

Mr. Adachi: We are still in the primarily stages of development of this project.

Chair Furfaro: I may service the question with George. JoAnn, go right ahead.

Ms. Yukimura: Could we do follow-up questions on this particular item?

Chair Furfaro: Sure, go ahead.

Ms. Yukimura: I think it is a good direction that you are going in. I think the motor pool will give you both more control and enable you to have users use the most efficient cars. In doing so, it should stabilize the gas consumption unless there is some expansion of services.

Mr. Tabata: Right.

Ms. Yukimura: And it should also, if you take away your older cars, cause the repair schedule not to be as great either, right, because your older ones would need more service.

Mr. Adachi: Reduce maintenance costs.

Ms. Yukimura: That is the best way to say it, okay. I think those two (2) advantages would be excellent. Not to mention, you might eliminate unnecessary parking as well.

Mr. Tabata: Yes.

Ms. Yukimura: Why is Economic Development the lead?

Mr. Dill: Because it is an efficiency government streamlining effort, so they are coordinate those things.

Ms. Yukimura: Of course, okay, thank you.

Chair Furfaro: So, that is how George gets all those assignments.

Mr. Dill: That is right. He gets all the interesting ones.

Chair Furfaro: Mr. Adachi, I will let you start making the presentation on any particulars you would like to share with us.

Mr. Adachi: Okay. Would you guys like me to go over the whole...

Chair Furfaro: Maybe go through the highlights.

Mr. Adachi: Basically at the Automotive Division, our focus is to manage and maintain the County's vehicles and equipment fleet. In Fiscal 2014, we were able to meet the repair and maintenance demands of all Agencies and we were also able to procure some new vehicles and equipment to modernize the fleet. We got the fuel master computerized, the fuel management system installed and operating, and we are currently in the process of installing a new fuel storage tank and two (2) new fuel dispenser pumps at Kapa'a Baseyard. We also filled some vacant positions: one (1) Welder, and one (1) Heavy Equipment Mechanic. We basically continuing with repairs and improvements to our facility maintenance and creating more space. We are addressing our space issues. All of this should help us continue to provide vehicle and maintenance and support for all County Departments. Do you have any particular questions?

Chair Furfaro: I would like to throw one (1) out and then I will give the floor to Mr. Kagawa. A year ago, when we were having some manufacture issues with the roadside collection vehicles for Solid Waste, have we been able to work out some of those issues with the manufacture?

Mr. Adachi: Do you mean warranty issues?

Chair Furfaro: Yes.

Mr. Adachi: Yes, those are all resolved. We do not have any problems now.

Chair Furfaro: Okay, great. Thank you for staying focus on that. Mr. Kagawa, you have the floor.

Mr. Kagawa: Thank you. You said you added a Welder and a Heavy Equipment Mechanic?



Mr. Adachi: Yes.

Mr. Kagawa: Last year I think we were short one (1) space, maybe? You said it would be good if we had another space...

Mr. Adachi: A working area?

Mr. Kagawa: Yes.

Mr. Adachi: We still have the same amount of space. Actually, I had three (3) vacancies and we filled two (2) of them.

Mr. Kagawa: So, how much more space is there for everybody to work efficiently?

Mr. Adachi: Right now, we can operate.

Mr. Kagawa: Okay.

Mr. Adachi: As we are right now.

Mr. Tabata: Last year we mentioned that we moved a column to create an extra bay to work with. We had Engineering Division to help us design the structural requirements to move this column that opened up another bay for us so he has effectively has one (1) more bay to use.

Mr. Kagawa: So that is still has to be completed?

Mr. Tabata: It is completed. Another part that he is talking about in creating more work space is Engineering Division is also helping us design a mezzanine floor in the shop to move storage from the ground level to a mezzanine level so that more floor space can be opened to do the production work.

Mr. Kagawa: With this new equipment that we were recently buying, is that creating more problems?

Mr. Adachi: No. It is actually beneficial to the operation.

Mr. Kagawa: My last question is, with these electric vehicles that we are buying, do those tend to need servicing or break down similar to a gas or is it much better?

Mr. Adachi: Not much. You run into the normal stuff like tire pressure, windshield wipers, turn signals, things like that but because the vehicle is electric, no engine, so there are very little maintenance in that area.

Mr. Kagawa: Oh, wow. Thank you.

Chair Furfaro: Good news. JoAnn, you have the floor.

Ms. Yukimura: I really want to commend you for doing more with less. I was impressed last year when you came up with the ideas of creating more

space in your existing footprint. I see you finished phase one and phase two is under design, yes?

Mr. Adachi: Right.

Ms. Yukimura: Anyway, I find it very commendable and I really appreciate that. You said that the installation of the fuel master computerized fuel management system is complete?

Mr. Adachi: Complete.

Ms. Yukimura: How is it working?

Mr. Adachi: It works great. We do not have too much problems with the system.

Ms. Yukimura: Would that give us the total liquid fuel usage in the County?

Mr. Adachi: Yes. We can run all different types of reports.

Ms. Yukimura: Do we have records of what our fuel usage is from... say the past five (5) years so we can monitor?

Mr. Adachi: Yes, we can get that information.

Ms. Yukimura: Really?

Mr. Adachi: Yes.

Ms. Yukimura: Is it your sense that it is going up?

Mr. Adachi: Fuel consumption?

Ms. Yukimura: Yes.

Mr. Adachi: I would say that fuel consumption might be going up a little because we are adding some new equipment to the fleet.

Ms. Yukimura: And our buses are going more often starting... are they not?

Mr. Adachi: I am really not too familiar with the bus fuel.

Ms. Yukimura: Does this include our bus?

Mr. Adachi: No it does not.

Ms. Yukimura: So, it is not the full liquid fuel budget then?

Mr. Adachi: No, just the vehicles that fuel at our site.

Ms. Yukimura: Okay.

Mr. Tabata: Transportation has their own. They keep track of their own.

Ms. Yukimura: Okay.

Mr. Tabata: Those vehicles that fill up at the Center Petroleum Automotive Fuel stations, we can get that information.

Ms. Yukimura: Yes, maybe OED is tracking that from an energy use standpoint but I would like to see just what it looks like over five (5) years, if you have that information.

Mr. Adachi: The bus information?

Ms. Yukimura: No, no...your fuel master. Or whatever you have.

Mr. Adachi: We can get total fuel consumption not through Fuel Master but there is other ways that we can do that. Fuel Master has just been running for about a year.

Ms. Yukimura: I see, okay, but over time we should be able to get good data through the Fuel Master system?

Mr. Adachi: Right.

Ms. Yukimura: In your challenges you say, “operating productively within our limited space has become a daily battle.” Will completion of the second floor expansion solve your problem?

Mr. Adachi: Somewhat. Not totally but it is one of the few options we have.

Ms. Yukimura: Right.

Mr. Adachi: We are just trying to work as effectively as possible with the space we have.

Ms. Yukimura: Well I am just thinking that if it is not addressing your problem than at some point in the near future you are going to be meeting the real limits of that place and may need to start some long range plans.

Mr. Adachi: We are actually there already.

Ms. Yukimura: Oh, you are already doing some long range planning?

Mr. Adachi: Well...

Ms. Yukimura: Oh, you are at the place with no space but you are making the adjustments but do you see them as mainly a temporary fix?

Mr. Adachi: Temporary.

Ms. Yukimura: And so how long?

Mr. Adachi: Short-term solutions.

Ms. Yukimura: How short? When will you be pressing up against the problem big time?

Mr. Adachi: We are already there. We are already facing these problems and this is the best we can do to address the problems that we facing right now.

Ms. Yukimura: Is there like a long range planning process that needs to be initiated?

Mr. Dill: We do not have a formal process but we have been certainly looking at options. We are essentially talking about finding a new site to develop a new shop and obviously there are significant costs with that.

Ms. Yukimura: Significant?

Mr. Dill: Dwayne has been doing a good job in making maximum use of what he has available to him but we have been looking and obviously acquiring land and building a new facility is a multi-million dollar pursuit. We have been looking for opportunities.

Ms. Yukimura: Okay because like you said if we have a plan ready to go and funding shows up, we are much better off if we did the planning.

Mr. Dill: That is true.

Ms. Yukimura: I do not know how you could dovetail with the bus system but their baseyard is full and either you look together and you can access different sources of money that way or bus moves out to a larger place and Automotive takes over there but you do not know what combinations until you start looking.

Mr. Tabata: They did take the small engine repair away from us last year. So, that opened up a little space. If you look at Dwayne's objectives, item number five, he has in there, analysis of the workplace facility capacity. He and I had been in discussion to possibly move some of the repairs in the shop and relocate certain repairs to utilize space more efficiently and of course try to do a study for the long-term needs.

Ms. Yukimura: So the analysis of workplace facility capacity, thank you for pointing that out and thanks for being forward looking, that does not have a date for completion or some scope of time. That is not in the works right now?

Mr. Tabata: Well that is something that we hopefully want to embark on. I think the more short-term needs as he is looking at possibly shifting personnel

in the shop say to heavy equipment versus from the automotive side, with the pool that will be a short interim (inaudible) we will reduce some of the workload.

Ms. Yukimura: Hard.

Mr. Tabata: Yes.

Ms. Yukimura: Lastly, on your objectives, the last one. Repair and maintenance service interval on time completion, I mean we were so impressed last year with your statistics or there is another word for it but anyway you were currently eighty percent (80%) at doing on time completion, is that what this is saying?

Mr. Adachi: Right.

Ms. Yukimura: Okay. Yes, great.

Mr. Adachi: That is an average.

Ms. Yukimura: I was looking for other statistics on your other objectives but...oh, average vehicle and equipment repair turnaround time currently four (4) days.

Mr. Adachi: Yes, that is an average too.

Ms. Yukimura: And your objective is to improve that turnaround time?

Mr. Adachi: Well, we are trying to hit that four (4) day turnaround time.

Ms. Yukimura: Oh, just to maintain?

Mr. Adachi: Yes.

Ms. Yukimura: That is important too. Okay, well thank you very much.

Chair Furfaro: I do want to be very clear on some presentations that have been made to us if we are... I heard maybe sharing central services or piggybacking on whatever we can with the bus for the Automotive Shop as well, I remember the bus plan under Charlier was to put bus facilities on the outside of town to have satellite service on the outside. If this thinking changes, please advise us well in advance because you are using the term, if this facility might be millions and we have a cost and revenue center that does not have enough revenue to cover its own operating expenses. I just want you to think that through and make sure that we have one (1) outline for automotive and another outline for bus transportation and where they can merge, I am fine with that but I understand the savings is having outline buses and not having to run buses into town that have no ridership on them. Other questions for Automotive? Go right ahead, JoAnn.

Ms. Yukimura: On page twenty, you are showing an increase on thirty-nine percent (39%) in benefits.

Mr. Tabata: Remember last year when we came to Council, we carved out the non-highway cost items?

Ms. Yukimura: Oh, I see.

Mr. Tabata: With that took some labor, benefits, and materials out of the Automotive. We found that we had a few glitches with record keeping to do that so we bought everything back except there is a General fund line item now in the Automotive Shop. We are not comingling Highway Funds with General Fund expenses.

Ms. Yukimura: So, it is not an actual increase in benefits. It is due to the record keeping transition that you are making.

Mr. Tabata: We distributed to the Departments last year and now we are just bringing it back under his management.

Chair Furfaro: It is just a reallocation.

Mr. Tabata: Right.

Ms. Yukimura: And the vehicle lease line item of a hundred and thirty-nine percent (139%) increase...

Mr. Tabata: That is also bringing that same control back under the Auto Shop.

Ms. Yukimura: Alright, thank you.

Chair Furfaro: Other questions for Automotive? Vice Chair, you have the floor.

Mr. Chock: My understanding, as you mentioned, Transportation with the buses are separately cared for, is there any overlap between Departments? I know Fire has their own mechanic and so forth. So, there are no shared resources involved in any of the maintenance?

Mr. Adachi: Not really. Not on the everyday basis.

Mr. Chock: Okay. Totally separate, yes?

Mr. Adachi: Yes.

Mr. Chock: Okay.

Chair Furfaro: Any other questions? If not, Mr. Adachi, thank you very much for another outstanding job in our Automotive Department. Larry, next we have Wastewater?

EDWARD TSCHUPP, Chief of Wastewater: Good afternoon. You have our budget proposal which is consolidated with the remainder of Public Works. I guess I would like to start off with our mission. Our mission is to protect public health and safety and the

environment through operation of the County's wastewater facilities. We had some successes and achievements this year. Several significant projects have gone out to bid, contracted, and awarded. Some of them are currently on the way and one of them is just about wrapping up. The significant project include a round of improvements of Wailua, we are just getting ready to...actually Notice to Proceed has been issued for a similar batch of improvements, equipment upgrades at 'Ele'ele, the Coco Palms pump station which was turned on last week. It needs to be dialed in a little bit on the next go around with the equipment manufactures representatives and our SCADA project is executing for contract signatures, it has been awarded so there is significant amount of work, most of which is of a capital nature which is the Division has currently handling. We have been fairly successful with getting low cost funds through the SRF program as well as some Federal grants through EPA. I want to always put in our thanks to the Federal EPA for their funding assistance and the State of Hawai'i Department of Health for their funding assistance. One of the projects that is also just kicking off was Federally funded through an EPA grant as the Waimea Wastewater Treatment R-1 distribution system where we have hired the consultant to initiate that and Notice to Proceed is this April.

We had several challenges, this year the Division had four (4) retirements plus a significant...one of our Engineers left and we were successful in recruiting someone to replace him but anytime you have that kind of turnover, our Superintendent retired this year over the four (4) plants and then one of the Chiefs or the Plant Operator, responsible operators also retired at the end of September. We had quite a bit of impact of staff turnover and retirement. Another significant challenge for the Division this last year was every five (5) years we renew our National Pollutant Discharge Elimination System (NPDES) permit for Wailua and this year the Health Department is ratcheting down the limitations on (inaudible) and that has some significant consequences for the County.

Chair Furfaro:

In particular for Wailua, Ed?

Mr. Tschupp: Yes. That is the only plant that we have that has an NPDES permit. We established some goals, generally speaking one of them is we want to improve and enhance our safety program. We are getting some assistance on that through hiring of CIH...one of those industrial hygienist kind of person who is assisting us with some of our safety program development. We are constantly trying to improve and maintain and upgrade the facility maintenance. We do have the same maintenance management information system that roads have and with the staff turnover that there is a whole new re-education that needs to happen with our new management on that program. Continued Regulatory compliance is an ongoing challenge and then we do cover most of our cost from our users, we would like to cover a hundred percent (100%) of our costs from our users, we are not quite there yet, but we do have a small user base so that is always a challenge.

You got the charts. For this upcoming year, we found that our utility costs were a little bit under budgeted in prior years. The cost of electricity and water are going up. That is reflected in our budget proposal for this year. We are actually looking at two (2) positions: one (1) being the Operator Assistant to bring Waimea Plant up to the full staffing level of a grade 4 plant and the other is a Equipment Operator which we are expanding our service area. The pumper truck discussion that has been, I think has been discussed broadly here of having the County takeover the responsibility for pumping County parks and the home for that piece of equipment and operator, I think, logically falls within the Wastewater Division. So, those are the two (2) positions. I do not really have any other up front comments.

Chair Furfaro: Ed, are there any changes in any Federal or State laws that put more... are more sensitive than others of any disposal of any solid waste material that come from the plants, is there any changes there?

Mr. Tschupp: That is something that we would very much like to work with our Solid Waste people because all of our bio-solids are currently going to landfill. There are options that and we have been exploring them but one of the problems that we run into is critical mass. We have had over the years have had many people come in and say that they have this wonderful process that can handle all your bio-solids then they look at the amount of bio-solids that we actually have collectively amongst the four (4) plants and it is, well, not enough. That land application is probably one of the best options. Other options may be composting. There are Federal requirements on how that is handled. Actually I think the only permitted land application site on Kaua'i this year stopped operations. That was a privately run facility. Our options other than the landfill are somewhat limited although we continue to be actively interested because it something would be mutually benefit to solid waste if we could divert that to some other use via energy production. Right now Economic Development has taken the lead of...and you will probably hear more about this from the Solid Waste people, landfill gas, but they have thrown into that analysis also looking at the anaerobic digesters we have at the Līhu'e Plant and can we possibly start handling some food waste there and co-digest through the existing anaerobic digesters. Getting back to your question about anything ratcheting down on us, really the biggest thing that we see coming down the road is embodied in the new permit requirements. They have us on a 10-year compliance schedule to meet the new ammonia nitrogen effluent limits that were imposed in our new permit. We will talk more about that when we get to the CIP but that 10-year compliance schedule has, "do these studies, design this solution," and that is one of the things that is driving our CIP budget.

Chair Furfaro: Mr. Bynum has a question.

Mr. Bynum: I have not checked in with you for awhile, nice to see you, and I am going to ask some real quick questions. I also want to know more about this NPDES permit. So, you talked about turnover key engineer position, who was that?

Mr. Tschupp: That was Eric Agena.

Mr. Bynum: Val was before?

Mr. Tschupp: Val was before.

Mr. Bynum: That position is unfilled now?

Mr. Tschupp: No, it is filled. Jason Kagemoto started with the Division in February, beginning February.

Mr. Bynum: Oh, yes. He is an experienced individual.

Mr. Tschupp: Jason was with Brown & Caldwell consulting company that we use for about ten (10) years.

Mr. Bynum: Right. So, that was another good hire, right? Wailua, the issue has to do with because we have outfall discharge into the ocean, correct?



Mr. Tschupp: That is correct.

Mr. Bynum: Can you give me just a really brief overview of what the issue is and what our plan is?

Mr. Dill: Councilmember as mentioned we intend to give you more than a brief overview tomorrow during the CIP because we have some CIP funds allocated. If that is okay with you, we can address that tomorrow?

Mr. Bynum: That is fine. Let me pass now and think about what those other things were because that is what I wanted to drill down on. May I pass, Chair, but I may want to come back.

Chair Furfaro: Yes, of course. JoAnn, did you have questions?

Ms. Yukimura: First of all Ed, I want to say that when I look at your successes and achievements, they are quite extraordinary, they are very substantive and so thank you for your work during this year. I wondered with the EPA grant funded project for development of R-1 distribution system for the Waimea Sewage Treatment Plant, are you developing rules and regulations?

Mr. Tschupp: We will be certainly considering the State Reuse Guidelines. That is a framework, it is a guidance document that the State has had for several years and they are actually in the process of updating it. That is one of the sets of standards, if you will, it is guidelines but it essentially establishes standards for things like...we have to work with the Water Department too because things like back flow preventers have to be there on any parcels that are using reuse water. In addition to that this preliminary engineering study and basically EPA at this point could grant us funds to get up through an inclusive of the environmental documents and preliminary engineering work needed to support that. They could not go beyond the environmental documents because you do not want to do your decision making backwards. Include though in that preliminary engineering is sort of the structure, the utility organization that would be the mechanism for purveyance. The Water Department is not particularly going to be who reads our meters. We are also doing this in corporation and in conjunction with Kikiola Land Company. They have some infrastructure that is important to this distribution of the R-1 water. So, there is an inherent public/private partnership between the County Wastewater and Kikiola Land and other potential...the State Hospital, State schools end of becoming our users.

Ms. Yukimura: Someone said that there will be revenue generation, quite likely.

Mr. Tschupp: That would certainly be nice. It would be nice to assess a fee.

Ms. Yukimura: Right. Which puts you in a new role instead of selling services, you are going to be selling a product...basically water. That brings on all kinds of...it is a new paradigm, so to speak, and how you charge and how you create these agreements with your consumers or users is a new ballpark.

Mr. Tschupp: That is correct.

Mr. Dill: What Ed is talking about, I think, the first step is we are trying to figure out what sort of “utility that would be, who will own, operate the power, and how it will function.” But it will have to, at some point, have a “tariff” to establish the rules and regulations for how it works with its customers.

Ms. Yukimura: Well you have a good background having run Princeville system, Larry. But, yes, we are entering into a new arena and I just want to make sure that we do it with our eyes wide open and do not miss the opportunity if there is an opportunity to get revenues and recognize this wastewater as a resource.

Mr. Tschupp: Absolutely. In the State, Maui County has really taken a leadership position in purveying reclaimed water. We certainly have them to look at.

Ms. Yukimura: Okay.

Mr. Tschupp: That is fundamentally part of our preliminary engineering study, which is to look at that structure and how we do that.

Ms. Yukimura: Great. In your objections you have diversion of sludge from the landfill that is your estimated outcome and you objective is to improve bio-solids handling to develop a beneficial alternative for bio-solids management to reduce costs and save landfill space. That is certainly very good objectives. Do you have a timeline for this?

Mr. Tschupp: Actually it has been very hard to pin down a timeline for that. Especially when the land application site actually ended up closing this year as I said over the years we had venders come out and say, “I would like to get your sludge.” We get into this chicken and egg thing because we need a safe place for the sludge to go and they need a feed stock contract and so who jumps first? They do not have a facility. How do we sign an agreement with them to send our sludge to that non-existent facility? And yet they need some commitment before they can actually finance the project to build the facility. That has been the classic challenge.

Ms. Yukimura: Tell us what your end in mind is. You have sludge that your Sewage Treatment Plants produce?

Mr. Tschupp: Correct.

Ms. Yukimura: That is called bio-solids here, yes? And you want to find a contractor who will take the sludge and transform it to some usable use?

Mr. Tschupp: That could be energy production.

Ms. Yukimura: Right.

Mr. Tschupp: It is possible...we have had some discussions with the New Wood Fire Power Plant that is being built. They do not want to run this in their boilers. They do not want to run the sludge into that...

Ms. Yukimura: They are biomass plant, right?

Mr. Tschupp: Correct and in concept we have biomass.

Ms. Yukimura: Right but it is very different kind.

Mr. Tschupp: One of the things that they would be interested in is using our sludge as a fertilizer for regrowth of the trees.

Ms. Yukimura: So you may have an intermediary... do you know how Maui is doing it?

Mr. Tschupp: I think they are doing some composting. I do not really know.

Ms. Yukimura: I think it would be a good idea to go over there and see what they are doing. I believe John Harder has background on this but I think at Maui the County...they may have a contractor involved but they are taking the sewage sludge and turning it into a very high level of soil...

Mr. Tabata: I can answer that for you. When I was working for Aqua Engineers, I did that for the County of Kaua'i. Like Ed mentioned...

Ms. Yukimura: For the County?

Mr. Tabata: Yes. I went to Maui and I did a study for the County of Kaua'i and it all boils down to critical mass again. Having the right volume of sludge and greenwaste to compost to make it be a profitable operation for a private contractor. Consequently Maui ecosystem does do the Maui project however right now they do not have a buyer for their material so they got piles and piles of material because the development in Hawai'i since 2008 that everybody knows, tanked. So, nobody is building golf courses anymore and that was their primary export of sale of that product.

Ms. Yukimura: Try the Dairy.

Mr. Tabata: It all boils down to the critical mass.

Ms. Yukimura: But the sewage sludge produced on this island is only half from County, right?

Mr. Tabata: That is right.

Ms. Yukimura: What is Po'ipū?

Mr. Tabata: And that is why I looked at every private and County entity and there was not enough and there is not enough green waste because there is no way to force all of the green waste facilities to bring their green waste to our site.

Ms. Yukimura: But we have a green waste problem and I have heard complaints just recently that our processing of green waste is costing too much.

Mr. Tabata: That is not enough.

Ms. Yukimura: Have we looked at putting those two together?

Mr. Dill: We would have the same challenges as Maui has. Green waste processing by itself is an expensive proposition, using feedstock and combining it with sludge is a little bit more costly. As Lyle mentioned at one point the Maui operation was doing very well and they were scrapping it off the ground to sell it but for the last five (5) to six (6) years they have mountains just sitting around, they cannot move it. And so they are not seeing the revenue that they used to see and it is obviously tied to the cycles of the economy. Sometimes it is a great option and sometimes it does not work as well.

Ms. Yukimura: But we are importing so much fertilizer and soil conditioner you would think that someone could figure out the link between the non-golf course market and this resource. Thank you.

Chair Furfaro: Before I recognize Mr. Bynum, what does our green waste cost us, Larry?

Mr. Dill: I do not have that number with me but the Solid Waste guys that are coming up next...

Chair Furfaro: It is one point three million dollars (\$1,300,000). It is a big number and we got to find a source so we can recover some of that. Mr. Bynum, you have the floor.

Mr. Bynum: This is just the issue that I wanted to talk about. I just visited a facility in Southern Oregon that I visited ten (10) years ago. It is a City run facility in collaboration with the County there, it mixes bio-solids with green waste and like Maui, even including ground up pallets and other problem materials. They had it for twenty-five (25) years run by the City. I just visited them on the week they shut down after twenty-five (25) and here is the story really briefly. The community was responding to this. They are going to continue to receive green waste at that site but ten (10) years ago the County was informed about new environmental standards and they had to put in drainage and other systems to keep it. I learned a lot. The community was really upset that they could not get this soil amendment anymore. They could still drop green waste but they are going to handle it differently because the City did not invest in that next level of needed environmental things. Of course the Engineers wanted that. That is what they wanted. They thought this was the best thing going and it worked. I am very interested in this issue and I appreciate that you are taking an initiative to look how we can do it. I know about this history Lyle, about finding critical mass, and what I want to ask you...you are doing a cost benefit analysis because that is your job but there is a larger social purpose and potential for our island. We have very depleted soils, goals, and CEDS programs to bring more farming and more sustainable Ag that need these soil amendments. You do the cost benefit analysis if it costs more to go this direction, there is benefits which diversion from the landfill being a huge one and creating soil amendments that are meaningful and important. Do you agree with that analysis?

Mr. Dill: Yes.

Mr. Bynum: Hopefully this is a dialogue that we will continue to have about how to best handle these bio-solids. Did you say that we loss a spreading place...that is what Princeville traditionally done with their bio-solids, correct, Larry?

Mr. Dill: Princeville was taking their bio-solids to the landfill and right about the time I left was at the time this private operation had established operation on the South Shore and Princeville was a client of that South Shore operation. I do not know since I am not there what they are doing now. I am assumed they are taking it to the landfill again.

Mr. Bynum: Was it not a period that it was spread on Princeville lands on the North Shore?

Mr. Dill: Historically since Princeville Wastewater Treatment System in the early 1970s, Princeville was doing land application prior to the Federal rules being written on the North Shore, I think.

Mr. Bynum: Right and generally speaking land application or some reuse is a better environmental model than land filling, correct?

Mr. Dill: I would agree.

Mr. Bynum: I just wanted to see if you agree that there is a larger social purpose perhaps that would motivate us to move into that direction even though there is not a direct cost benefit analysis because of these benefits that are harder to quantify. How are we studying this? Is this in-house?

Mr. Dill: We have been looking in-house right now.

Mr. Bynum: I just really applaud that discussion and get that collaboration and maybe even relooking at that kind of situation because critical mass clearly is an issue. If you have private contributors as well as the County, that makes that more possible. It is the kind of the thing we did with composting. We have now pretty strong relationships with private sectors on both sides, is that correct?

Mr. Dill: Yes.

Mr. Bynum: I remember when the separation was pretty distinct and we work through those, right? We have now win-win collaborative relationships, is that correct?

Mr. Dill: Yes.

Mr. Bynum: I did not know Wastewater was thinking about this along with Solid Waste. That is the kind of collaborative stuff that is great. Thank you.

Chair Furfaro: Any more questions for the Wastewater Division?  
Mr. Hooser, you have the floor.

Mr. Hooser: It is an interesting discussion about waste and sludge. It appears to be a resource – the sludge.

Mr. Dill: If we find a customer, yes.

Mr. Hooser: And critical mass is an issue. In my mind it begs the question, can we store this at a separate section of the landfill or something that can

be...you know, we find a customer and it gives us critical mass in terms of our side of the equation. You do not need to answer this now but I do not know if the landfill specifications are the same but it maybe something to consider. If it is a potential resource and all we had to do was find a customer and they are going to need a lot of it, it seems to make sense if we can put it somewhere if it was safe and met legal requirements.

Mr. Tabata: I was involved in the permitting of that private facility also and it was the only one in the State at the time. It requires daily cover just like our landfill because of the pest associated with the operation, the vector control issue, so it required daily cover. It is a long drawn out permitting process and in fact I did look very thoroughly for a composting facility and it is the cost upfront. Just like what Ed mentioned, all of these different companies come to us with these promises but when they look at our size and our volumes, it does not pass along. You cannot get funding to do it if you are a private company.

Mr. Hooser: Right now it is mixed in with the rest of the landfill?

Mr. Tabata: Right.

Mr. Hooser: All thrown together and covered on a daily basis.

Mr. Tabata: Yes.

Mr. Hooser: Thank you.

Chair Furfaro: Further questions for Wastewater? If not, I want to thank you folks very much. We are going to move now into Solid Waste Division. Larry, is there a particular protocol that you want us to follow for your people?

Mr. Dill: Solid Waste, we will continue the same theme pretty much. I will have Division Head Troy and Allison. Troy will speak to the budget presentation and Allison will participate in the waste division components of that. He will touch on some of the highlights of the budget presentation that has been provided to Council and we will open it up for questions.

Chair Furfaro: I see Donald in the back. Is he not going to participate?

Mr. Dill: Not directly as part of the first presentation but certainly during the questions and answers, he will be available.

Chair Furfaro: Okay. What is the chain of command here for us?

Mr. Dill: Chain of command?

Chair Furfaro: In this Division, who is the Head of this Division?

Mr. Dill: Troy is the Head of this Division. Donald as the Environmental Services Officer has oversight over both Solid Waste and Wastewater.

Chair Furfaro:  
the table also.

And I noticed with Wastewater he was not at

Mr. Dill:  
any questions that came up.

Well similar to right now, he was available to

Chair Furfaro:  
the floor, Troy.

Okay. You answered me. Thank you. You have

TROY TANIGAWA, P.E., Environmental Services Management Engineer: Good afternoon Councilmembers. As Larry mentioned, I would like to touch on some of the highlights for the Division and I will start off with some successes and achievements that we have had recently. We enjoyed a reduction in overtime. Evident in FY 2013 we saw reduction in approximately two hundred eighty-eight thousand dollars (\$288,000) in overall overtime costs. That was achieved by some of the measures that were put in place.

Chair Furfaro: I shared my responses from Finance on the savings and overtime as it relates to Solid Waste and so forth. So, everybody have those particular answers.

Mr. Tanigawa: Okay, thank you.

Chair Furfaro: I want to thank you for getting that for us.

Mr. Tanigawa: You are welcome. We also had success in achieving continued landfill capacity at the Kekaha landfill. We recently secured the vertical expansion permit from the Department of Health. It allows us to operate the landfill for approximately another five (5) years. We also had success and progress in our efforts considering development of the new landfill this past...recently was the publishing of the final environmental assessment EIS preparation notice. That was actually in February 2013. We had further progress in all the very special studies that had to be conducted for that document to be properly prepared. In waste diversion, we saw an increase in overall waste diversion. In FY 2013 we have a waste diversion rate of forty-two percent (42%) which includes County's waste diversion as well as waste diversion efforts on the private sector side. Recycling education and awareness, there are a lot of things that are going on in that area. We have staff that is working really hard and diligently. In summary, the quality and scope of our public awareness information has increased. We made significant progress in that area. Electronics recycling events, we now have monthly electronic recycling events for residents at a central collection put in Līhu'e – the Kaua'i Resource Center.

Chair Furfaro: It is now monthly?

Ms. Fraley: Two (2) days a month.

Chair Furfaro: Do we know which days?

Mr. Tanigawa: Yes. It is normally the second Friday and Saturday. There is a Friday and Saturday which is the consecutive second weekend, it is usually scheduled then.

Chair Furfaro: So, it is monthly now and it is usually the second Friday and Saturday of each month?

Mr. Tanigawa: Yes.

Chair Furfaro: And it is at the?

Mr. Tanigawa: Kaua'i Resource Center.

Chair Furfaro: Kaua'i Resource Center at the airport?

Mr. Tanigawa: Correct.

Chair Furfaro: Thank you.

Mr. Tanigawa: Our residential refuse collection assessment, we are into approximately the third year of implementation and we see continued success in implementation. It has helped us reduce the burden on the General Fund to help us run our programs.

Some of our main objectives are here and I would like to go into a little bit of detail regarding the objections. One of our main objectives is to monitor our proposed construction and demolition diversion ordinance to make sure we maintain the momentum on that and we implement that on a timely basis. We would like to see a completion date...effective date of the ordinance by July 2014. Our intended outcome, we are looking at hopefully increasing a diversion by about four thousand (4,000) tons per year. Another objective is to monitor a commercial recycling ordinance or business recycling ordinance to establish recycling programs for designated recyclables. This ordinance and the one above will require a new recycling specialist position. At the time of implementation we hope to secure Council approval for the new position to help us further that program as well. With this diversion business recycling ordinance, it is projected to possibly divert another additional eight thousand (8,000) tons a year. We hope to continue...along with those ordinances we are looking at providing technical assistance to the commercial sector as well as private recyclers to help further that effort. Our main outcome is to obtain maximum compliance with those ordinances. We are projecting completion of full automating refuse collection program by July 2015. This will involve automating another nine thousand (9,000) households completing areas from Kōloa through Kekaha. Another major initiative is implementing the operation of a Material Recovery Facility (MRF) to sort single stream recyclables. We are currently looking at an implementation date of July 2015. The major thing that that will help us with is to facilitate curbside recycling for our residential customers which will further increase our diversion rate. Last but not least, increase public education in schools and to the community at large. Basically, that helps us achieve a goal of increasing public participation and...

Chair Furfaro: Is that why you were trying to get his attention, Larry?

Mr. Dill: Yes.

Mr. Tanigawa: Excuse me. I got distracted. Just to complete the public education statements, it is to increase program participation and the quality of materials that are collected. Basically decreasing contamination while increasing the



amounts being recycled. I would like to make a correction, if I may, the projected implementation date for the MRF is 2017, not 2015 – July 2017. Sorry. Also, I jumped over one of our main goals...and that is the pay-as-you-throw program, we are looking to implement that ordinance by July 2015 – the pay-as-you-throw ordinance by July 2015. That was the 2015 date.

Mr. Bynum: So, that is correct?

Mr. Tanigawa: Yes, at least the first phase. Pay-as-you-throw actually has two phases. So, first by July 2015.

Chair Furfaro: Before I give the floor to Mr. Bynum for questions, on this discussion we had about providing educational opportunities and so forth as it references increase to the community at large. Can you measure this better? How many hours a year do we have community education out there through the schools and so forth? Do we do five hundred (500) hours a year and we are going to increase it by twenty-five percent (25%)? I think this is the second or third year I am reading the same thing of “increase, increase.” Increase from what?

ALLISON FRALEY, Solid Waste Program Development Coordinator: Aloha. As far as the public education budget this year, we are talking about increasing it because the current fiscal year our budget is only ten thousand dollars (\$10,000) and we are proposing to increase the budget to the previous level of sixty thousand dollars (\$60,000) and that would allow us to do more radio ads, newspaper ads, and other things like that that actually costs money. We do provide community outreach, free of charge to organizations upon requests, we go to schools upon request, and we use existing staff to do that. There are certain costs items that do require a larger budget to continue a high level of awareness in the community.

Chair Furfaro: I guess what I am trying to find out is, I just do not want to measure the dollars that we are spending on it. I want to measure how much actual educational benefit is out there? For example, we are going to all the fourth grade classes in the County of Kaua'i – three (3) public schools... how do you...

Ms. Fraley: We do track that and we have that information as I said, those things actually we have staff in place to do those presentations to schools. What the increase would be is paid advertisements in newspapers, publications, radio ads, and things of that nature that do have costs. We can track that and provide you with that information.

Chair Furfaro: I do not need it for this budget but I would like it in the near future because if we are going from ten thousand dollars (\$10,000) this year to sixty thousand (\$60,000), are we going to increase public awareness by six (6) times?

Ms. Fraley: I see what you are getting at, yes, these are costs items that would be adding, yes.

Chair Furfaro: That is the big piece. How much is actually getting them to the classrooms, the living rooms, the newspapers, and the radio ads about promotion? Then we can measure six times the amount that is being budgeted. I am going to give the floor to Mr. Bynum but you have a follow-up question? Troy, did you have an extended answer?

Mr. Tanigawa: Yes, if I may, Council Chair. Because we have a substantial increase in our budget comparing 2014 to next proposed FY, I wanted to highlight the areas of increases and summarize what they are about. First in our operating budget under disposal section, we have an increase of roughly one point four million dollars (\$1,400,000) to one point five million dollars (\$1,500,000). That increase is primarily due to our contract with Waste Management for operation of the Kekaha landfill as well as our financial assurance amount. The amount that we set aside to the landfill for every ton of material that goes into the landfill. That increased substantially. About three quarters of a million dollars. Roughly half of that increase is because of that because we see a need to increase the contributions to meet the closure amount by the time we project the landfill to be closed and we are going to require the money to close the landfill. Those two (2) items and we have proposed a bulky item shredding pilot project to increase efficiencies at the landfill. The reason why we feel that money will be well spent at this time is that it will help us save air space. Air space is not something that comes cheap. To create air space takes a significant amount of money because of creating a baseliner unless you are able to go vertical on the landfill but right now at Kekaha landfill we pretty much maximized the footprint on lateral expansion areas. We have identified pretty much where we think we can go feasibly. The last area that we are looking at expanding laterally is (inaudible) that is currently being evaluated and designed.

Chair Furfaro: Where would I find that and on what page? I was reviewing page 38.

Mr. Tanigawa: Page 39 and 40, Chair, in the presentation.

Chair Furfaro: And that is covering goals Roman numeral number 4 and it is on page 39 and 40.

Mr. Tanigawa: 39 is the bar charts.

Chair Furfaro: But there is no narrative there. It is just like being able to read the bar charts and so forth.

Mr. Tanigawa: Yes.

Chair Furfaro: There is no strategic thinking narrative in there as you just presented it to us.

Mr. Tanigawa: Yes, I wanted to highlight and there is another area in addition to the area that was just mentioned, in our recycling programs...

Mr. Dill: If I could, Chair, on page 40 there is some discussion of the items that Troy mentioned.

Chair Furfaro: There is one paragraph.

Mr. Tanigawa: It summarizes it but it did not go into the explanation as much as I did.

Chair Furfaro: But no two-day turnaround but within reason, could you summarize your narrative for us in just a follow-up with memorandum?

Mr. Tanigawa: Okay.

Chair Furfaro: I do not need it in two-days but I would like to have something because we need some real measurable here.

Mr. Tanigawa: The other area of significant increase that I wanted to highlight is in our recycling budget. We had a requirement to reduce our budget when we were in budget discussions for FY 2014, the current budget we have. To meet goals to hit a maximum budget amount total for those programs, we had to cut areas of our budget to include removing programs as well as cutting back for funding for programs just to enable us to continue those programs into the FY 2015.

Chair Furfaro: Is that in that one paragraph narrative too?

Mr. Tanigawa: It is summarized in there in a couple sentences also.

Chair Furfaro: Okay, I do not really see it but because we did that and we cut back, we also eliminated programs, what we proposed this year is to add back the programs that we eliminated to include used cooking oil programs, collection programs, and recycling grants. Those programs have resulted in a lot of positive feedback from the community but we are also seeking full twelve month funding though which we really require to continue our programs into next FY. If we do not get that funding, we will probably lapse those programs at least for a period of time until 2016 funding becomes available. That is all I have.

Chair Furfaro: What were those amounts that...

Ms. Yukimura: I think there in your line item budget. Are they not?

Mr. Tanigawa: Yes.

Ms. Yukimura: Because we are looking in this and it is not in here.

Chair Furfaro: There is nothing in the narrative but that is what the narrative is supposed to be. It is supposed to help us direct into some line items so that we can...excuse me, if I can finish here? You are telling me things and there is no narrative in the line item budget and this does not sing the blues to me.

Ms. Yukimura: Yes, it would have helped.

Chair Furfaro: So, if you can give us some summary of what you just said and I do not need it in two days but I would like to have it in a reasonable time because basically this says for the 2015 budget request reflects the full twelve (12) month funding estimate for the Divisions and the service contracts which will be necessary to avoid a lapse in services. Who are all those contracts that will lapse?

Mr. Tanigawa: We can give you a full list of those items...

Ms. Yukimura: It is page...

Chair Furfaro: Excuse me, JoAnn, I am asking him a question. I know you are telling me that it is a line item there but that is not what I want. I want to hear the narrative that says what is going to lapse. You listed everything over here that JoAnn is referring to but in the narrative you're saying that it is going to lapse. What contracts will lapse?

Ms. Yukimura: All.

Chair Furfaro: All of them?

Mr. Tanigawa: No. Can you speak to this?

Chair Furfaro: I do not need it right now but put it in a summary.

Ms. Fraley: Okay.

Chair Furfaro: It is not all of those line items that will lapse is it?

Mr. Tanigawa: No, not all the line items but just a few.

Chair Furfaro: Tell us what they are.

Mr. Tanigawa: We will respond to that.

Chair Furfaro: I appreciate that. Mr. Chock, you have the floor.

Mr. Chock: I think we are on the subject of education and just to follow-up with what the Chair's request was. I think what I am hearing, and correct me if I am wrong, but we need some measurements in terms of the outcomes we are looking for. If you are saying six (6) times and so forth and in any educational environment I would expect that there is some sort of way to measure that like a questionnaire to see what the mindset is for our community. Are we changing our habits? How often? How much knowledge are they retaining? I am sure that is part of it but I am curious what that might be. It is not a judgment of the presentation. I could see a use of that actually in many of the presentations that I am reading, in terms of how we are reaching our goals, and specifics on how we are measuring those outcomes. That is all I wanted to mention.

Chair Furfaro: You can put that in the same response. Thank you for the summary, Vice Chair. Tim?

Mr. Bynum: (inaudible) the ordinance is forthcoming?

Mr. Tanigawa: Yes.

Mr. Bynum: You are hoping that the ordinance, the draft, what you are sending over is effective July 2015, right?

Mr. Tanigawa: The goal is to present the ordinance to the Council in a timeframe that will allow implementation to have that date.

Mr. Bynum: Are we talking the next couple of months this ordinance is coming to us or next year?

Mr. Tanigawa: There are a few more steps that have to take place before we can submit it. We are working with stakeholders and that might take a little while. What we are projecting is probably submittal by July of 2014.

Mr. Bynum: And that is true these are separate construction demolition and commercial recycling, two (2) separate ones?

Mr. Tanigawa: Two (2) separate bills.

Mr. Bynum: And then pay-as-you-throw is a third ordinance? Complete full automation it says ordinance. Is that because it is a money bill that requires additional funds to finish the automated collection, what kind of ordinance is that?

Mr. Tanigawa: That is probably a typo that we have ordinance connected to completion of automated. We already have an ordinance in place to address all of automated collection.

Mr. Bynum: We have pay-as-you-throw ordinance...there is no need to revisit that?

Mr. Tanigawa: There will be a bill to enact pay-as-you-throw.

Mr. Bynum: But your goal as you are announcing to us is that that bill will be effective July 2015?

Mr. Tanigawa: Yes.

Mr. Bynum: So this is one, two, three, four separate ordinance.

Ms. Fraley: The automation is not an ordinance is what we were saying. That may have been a typo.

Mr. Bynum: You are just saying that your goal date is by 2015 but you do not need any further action from the Council.

Mr. Tanigawa: What that goal is related to is just to begin automotive collection on the South and West side.

Mr. Bynum: Are we on track with that?

Mr. Tanigawa: Yes.

Mr. Bynum: Okay. As part of my communication related to the tipping fee bill earlier, I asked for a simple kind of chart, 2008 goals when we adopted the Solid Waste Plan and an estimate of completion, right? Some of those goals would say

that we decided not to pursue this or whatever. But something really simple and clean without all of the policy explanations of why the things were delayed and just get a sense of what our original goals were and what you are estimating and I would appreciate that in the forthcoming future. So, pay-as-you-throw, the next step would be...I have these cool little pictures of when I was in Oregon, the little brown cans that are thirty-two (32) gallons. You go all over the County, you do not see anything but those little thirty-two (32) gallons for disposal. I shared some of this with Larry, the citizens pay a lot there to dump...when they go to the landfill a pick-up truck that we can dump for free, I forgot it was like twenty-five dollars (\$25.00) a load and the resident pay that and they are okay because their culture is "we take care of opala without doing environmental damage," and we are headed in that direction. I appreciate that. What is the next step to pay-as-you-throw?

Ms. Fraley: The next step is when we introduce the automated refuse collection to the whole island we would offer the option of a sixty-four (64) gallon container. We will talk about rates when we propose the ordinance but we are looking at keeping the fee the same at twelve dollars (\$12.00) a month, if you opt for the sixty-four (64) gallon cart size and if you want to keep the ninety-six (96) gallon cart size which is what is out there now, that you would pay a higher rate. We are looking at twenty-one dollars (\$21.00) a month but like I said this would be decided by Ordinance.

Mr. Bynum: And I do not need to go into further detail. I am just trying to get a sense of what Council actions are forthcoming in the next couple years. Clearly, these two (2) ordinances are coming to us sooner rather than later, right?

Mr. Dill: All three (3) ordinances, yes.

Ms. Fraley: In the next few months.

Mr. Bynum: But I mean before the end of the calendar year?

Ms. Fraley: Yes.

Mr. Bynum: Okay. Thank you. I am waiting for these steps. The new position for recycling that is tied to these ordinances will come with the ordinances or a separate money bill? Is it in the budget?

Mr. Dill: That would be part of the FY 2016 budget proposal.

Mr. Bynum: I see. So, you are just letting us know now that this is coming. Part of my question was, could you not use that position to anticipate those things going onboard, you are going to have this new position right when the ordinance has become effective? Where is the start up time? I could be really critical about how the education has gone because I think it could be so much better but I also know what the budget realities are so how can you be critical. But this goes back to me for when we implemented the plastic bag band, we did not put any in my view, we did not put sufficient effort into educating the community about it. It was such a good idea in my mind it rolled out and we did not have any big major problems. What we missed compared to Maui is the people of Maui because of the education program, "bring your own bag (byob)," remember those great logos and stuff, they were out there before the ordinance telling the people why this is a great idea, how it is going to benefit them financially and environmentally and so

the community got to feel great about it because of the education effort. I do not think we can show any statistics of compliance was any different because the bags are not available but I can tell you the sense of the transition and the feel that the community had, the key was education. Well, that was just “feel good” but this education was about compliance. When we get to our three (3) can system, people have to know how to use mixed recycling...anyway I am a big fan of the education effort. I am glad that you have a budget that is more reasonable and hopefully we will find a way to support that.

Mr. Tanigawa: Just for clarification to add to Councilmember Bynum what you were saying, we are planning to have a one (1) year period where, from the time of adoption of the bill and creation of the ordinance, a one (1) year timeframe where folks will be able to wrap up and develop their programs and become effective in doing the type of diversion or recycling activities that they need to comply with the ordinance. The one (1) year period would start from adoption of the ordinance and during that period of time a Recycling Specialist would be out there pounding the pavement, going to these companies upon request, and helping them with technical assistance to get them prepared.

Mr. Bynum: To be prepared for the...

Mr. Tanigawa: For compliance one (1) year after the ordinance is adopted.

Mr. Bynum: I really appreciate that answer. Did you finish?

Mr. Tanigawa: I was just going to mention that part of the requirements of the ordinance is reporting and that Recycling Specialist would be helping those businesses under what the reporting requirements are and what is going to take to complete the forms.

Mr. Bynum: You really answered my question quite well, I have not thought of that but it is also like... okay, you have an ordinance that becomes effective and then there is a year before the requirements to come in and...what if you pass the ordinance in the next few months and you put that person in the budget, and you made those requirements happen sooner? Do you know what I am saying? Then you put the person in and say, “the ordinance has passed and...” anyway, I know you need to phase it in and understand. This will be the second round... I am back to pay-as-you-throw for minute. I appreciate your explanation, Allison, I was hoping to hear that we go to thirty-two (32) can for twelve dollars (\$12.00) and sixty-four (64) and ninety-four (94) would be more because I think we need to be that aggressive. I do not think it is far from the norm but the other alternative is the twelve dollars (\$12.00) to go to sixty-four (64) and then maybe three (3) years from later twelve to thirty-two or twelve and if I picked the thirty-two (32) now, give me an incentive.

Chair Furfaro: Hold on just a second, all of this is in theory and Mr. Bynum had agreed that is not something he needs within two (2) days.

Mr. Bynum: Of course not.

Chair Furfaro: But we are talking about it here and we want to see something in writing that kind of say, “what is your future concept of that?”

Mr. Bynum: Well, that is why I am asking the question.

Chair Furfaro: I want to make sure that they understand what you said because I have two (2) pending questions that I do not need the answers in the next two (2) days but I would like to understand them more. For example, how do we measure the educational systems and so forth. So, this is great information but this is a budget discussion and we can have more of this discussion on a Public Works item but please note we would like to get that in some kind of a narrative. I do not want to get it to a place a year and a half from now and we forget what we said a year ago. I will give the floor back to Mr. Bynum but please note that we are expecting some of these ideas that he is talking about to be sent to us in writing.

Mr. Bynum: I think I am almost done. Do you agree we need to be somewhat aggressive at meeting these goals because of the challenges that we face?

Ms. Fraley: Definitely and I just want to say that we have the pay-as-you-throw plan that has been developed by our consultant and the plan does have an aggressive point and that would be when customers have the option of curbside recycling/diversion and then we do go to the thirty-two (32) gallon at that point. That is the way the most pay-as-you-throw programs work. We are actually being really aggressive by introducing a first phase before we even have curbside recycling in place.

Mr. Bynum: Very good point. Thank you very much for that. We are behind on every goal that we set and that is not criticism; there are various reasons for that, right? But we are and so anything we can do...because we are hitting these deadlines, you know, are we going to have to handle our trash in some extraordinary manner because we do not make a successful transition between Kekaha landfill and a new landfill. That is the big giant question out there and everything we do that accelerates our recycling diversion and solid waste plan, can potentially lengthen that period of time and keep us from avoiding that crisis, right?

Ms. Fraley: Yes.

Mr. Bynum: Is this a decent analysis I just did, is it?

Ms. Fraley: Yes.

Mr. Bynum: I just wanted to underline to how serious I am about moving expeditiously as humanly possible with these issues. I thank you and I look forward to the follow-up answers but you have reminded me that pay-as-you-throw does not end with this next move. Thank you very much. Closing comment, I spent three (3) or four (4) days in this southern Oregon community again for the second time in ten (10) years focused on solid waste issues because that area of the Country is way far ahead of us. So, it is not like we should be there and that is also not a criticism but they have experienced the change in community norms, right, that we would have to go through. We are used to throwing our trash and having no cost connected in our minds. Our County is like, "just throw it at the curb and we will take it all." It is tough to think that we have to pay for this now and I cannot just do it like I used to? Those are tough things. In the communities where they made that norm, the community is proud of it, and they are not complaining about paying to throw their trash. Thank you.



Chair Furfaro: Okay, so you understand the three (3) item between Mr. Bynum and myself. We are looking for some future response on... those were not questions for the next two (2) days. Mr. Hooser, I will give you the floor but I have a housekeeping announcement before I do. We are going to have to take a caption break in about ten (10) minutes or so and at that time for Councilmember, we will be passing out material at the break regarding information for the CIP discussion tomorrow and there will be more to come. So, make sure today you have gathered your piece. Mr. Hooser, you have the floor.

Mr. Hooser: Thank you for your presentation. I appreciate all the good work that you are doing. My question is regarding the overtime, it looks like for Solid Waste Disposal in 2011 the regular time was two hundred thirteen thousand (\$213,000) and now it is budgeted for seventy-five thousand (\$75,000). For Solid Waste Collection in 2011 it was four hundred fifty thousand (\$450,000) and now it is budgeted for seventy thousand (\$70,000) and so if those are real numbers that is really good information. Are those the actual overtime? So, we actually dropped from four hundred fifty thousand dollars (\$450,000) in 2011 to...you expect to spend seventy thousand dollars (\$70,000) in the coming year? Is that with savings? Can you explain how we got there, if it is real?

Mr. Tanigawa: Yes, that is a reflection of real savings. We continued to see based on the projected overtime by the time we reach the end of FY 2014, this current FY. We have continued the drop in overall overtime expense. The reason why that savings could be obtained is primarily to our drop in overtime collection units. When you compare overtime numbers in FY 2010 compared to where we are now, it is an even more dramatic drop. FY 2011 is when we implemented the first phase of automated collections. That one additional crew took majority of the overtime on the East side. Then when we implicated phase two (1) of the automated collection, it pretty much absorbed the remaining overtime on the East side. The reason why we have overtime in refuse collection is based on requirement in the collective bargaining agreement, for manual collection, every unit over six hundred (600) units per day/per crew is paid on an overtime basis. Because of the number of homes that were counted being serviced at that time, each collection crew had between a hundred (100) to three hundred (300) units additional on a given day. There was one (1) driver and two (2) collectors on the back of the truck. When you transition to automated collection, we were able to increase the daily collection amount to a thousand (1,000) units and our employee count from three (3) down to one (1) truck driver. The efficiency went way up and we were able to absorb a great deal of overtime units. Another reason why the contributors to overtime were cut was the fact that we had implemented the residential refuse collection assessment program. When we did that it required collection service to only be delivered to permanent dwellings in the County. So, we saw a dramatic decrease in our numbers too, our collection unit numbers because of that. So, with the drop in units the overtime costs basically went away for the East side. The West side, we still have some collection units that are over the count so we are still paying a little bit of overtime but we did away with the majority of refuse collection related to overtime on the East side. Another reason for the drop in overtime is that we reduced our operating hours for the refuse transfer stations in the landfill from ten (10) hours to eight (8) hour days. That allowed us to schedule staff better so we are able to absorb times when the staff is on leave. We can pretty much meet our minimum daily manpower requirements a lot better and that has allowed us to reduce the overtime call outs.

Mr. Hooser: Thank you and congratulation on doing that.

Chair Furfaro: I think in all fairness we also want to make note that that discussion about three (3) years ago and yes, we are saving the overtime here but we also had some other costs associated with getting us to the program. For example, four hundred thousand dollars (\$400,000) for the containers, we also had the leases on the equipment and so forth. There is some investments to get us into particularly targeting overtime and the whole return has not been realized yet because of that but it is only fair to point out the other investments that we had to make to get us to the point that we reduced the overtime. JoAnn, you have the floor but would you mind if I ask that we take the caption break now and I gave you the floor when we come back? I am going to be leaving and I am going to turn the meeting over to Mr. Chock. We are coming back to you folks, we are passing some CIP stuff for tomorrow as well but we will continue the rest of the afternoon on this subject matter.

There being no objections, the Committee recessed at 2:52 p.m.

The Committee reconvened at 3:02 p.m., and proceeded as follows:

Mr. Chock: Councilmember Yukimura, you have the floor.

Ms. Yukimura: I wanted to understand how you calculated the recycling rate and you gave me a sheet that we are making copies of, so, I am good with that. Congratulations, we are actually at a forty-two percent (42%) recycling. With the projected four thousand (4,000) and eight thousand (8,000) tons diversion, where will that put us? You are projecting with a couple of ordinances.

Ms. Fraley: I am sorry I do not have that answer right this second but if I get that sheet back, I can do a quick calculation.

Ms. Yukimura: Alright, waiting for that then. The Pay-As-You-Throw is proposed for July...so, approximately a year from now, you are going to put that into operation?

Ms. Fraley: Yes, we want to bring that to Council in the next few months and then have the effective date be July 2015 and that would coincide with the completion of automation.

Ms. Yukimura: What people will get for the Pay-As-You-Throw is they will get to choose a smaller container?

Ms. Fraley: Correct. That is actually part of our public education money which is to be able to educate people about their choice and to let them know about the new program.

Ms. Yukimura: Then you have plans to address dumping?

Ms. Fraley: Illegal dumping?

Ms. Yukimura: Yes.

Ms. Fraley: The same as what we have done at this point.  
The program is not changing really.

Mr. Tanigawa: Maybe I can just...

Ms. Yukimura: I see, the people are still paying fees anyway?

Ms. Fraley: Yes.

Mr. Tanigawa: If you are referring to folks being limited to the container size and with an incentive to go to the smaller container...

Ms. Yukimura: Yes.

Mr. Tanigawa: There were a lot of the same concerns, actually, when we went to automated refuse collection. A lot of times you saw a lot of containers set out on the curb side and there was concern that if a homeowner did not want to purchase service of a second ninety-six (96) gallon container, that you would have a lot of illegal docking. We actually found that there are more people that are very conscientious about where it goes and we have not seen a big problem with illegal dumping.

Ms. Yukimura: Okay. That is very good to hear. On your preparation for the EIS for the new County landfill, I am sorry to say I have not read the notice but are you doing...is the EIS covering the Resource Recovery Facility on private land?

Mr. Tanigawa: Yes, the alternate RRP site on private land will be addressed on the EIS as well as a co-located RRP site with the landfill.

Ms. Yukimura: So, there are two (2) options?

Mr. Tanigawa: Correct.

Ms. Yukimura: It is not just on private land?

Mr. Tanigawa: That is correct.

Ms. Yukimura: Okay, very good. What is your time table for the Materials Recovery Facility (MRF)? You said 2017, but why is it taking so long? Is that a CIP?

Mr. Dill: No, I do not think that we have any additional funds proposed in the CIP budget this year.

Ms. Yukimura: Okay then, please explain.

Mr. Dill: So right now we are... actually I will ask Allison to give an update on where we are with the current efforts for the MRF. We are currently doing some work going on with the MRF, some consultant work. The challenge, today, has been the same as it has been for a while is securing a site. We identified a possible site, I think as everybody knows adjacent to the existing Līhu'e Refuse Transfer Station. It is a site that is under control of the University of Hawai'i, it was intended to one point to be a tropical fruit disinfestations facility. I am not familiar with the details but I know ultimately they did a feasibility study which indicated that such a facility was not feasible at that site. The tropical fruit facility was being done by the ADC under authority of the

University of Hawai'i (U.H.), they had a lease for this site. Once the feasibility study was shown that it was not going to be a practical there, ADC looked to get out of that property. They had no further use for it and so we immediately approached U.H. about acquiring it for the purposes of a MRF. Initially, we received some pretty positive feedback that it was a strong likelihood and so we have been planning around that site. Since that time though, the Department of Transportation – Airports, Līhu'e Airport folks have also come into the picture and indicated a strong desire to acquire the site for their own purposes.

Ms. Yukimura:

What purpose?

Mr. Dill: I believe they identified the site in some study in the early to mid-1990's as a possible future maintenance facility but I cannot really speak for them. It is some airport related use that they are looking at right now. Obviously for us being right next to the Kaua'i Resource Center and the Līhu'e Refuse Transfer Station, we have a lot of solid waste activities focused in that area, that would be a great opportunity for some synergies between those things to enhance our solid waste goals. It makes a lot of sense to centrally located area that already got access and things like that. It makes a lot of sense for us so we continue to pursue that and we have been in touch up as high as the Governor requesting his support for us to acquire this site. We have been very frustrated with the lack of progress in securing this site and finalizing that. I think I have stated to Council before and I will say it again that we still feel that we are very close to being successful at acquiring that site for the purposes of siting a MRF there.

Ms. Yukimura:

Has the Mayor talked to the Governor?

Mr. Dill: Yes. I want to bring you up-to-date with that side of it but in the meantime I will ask Allison to speak briefly to what we are doing with the MRF to further that goal.

Ms. Fraley: We have a contract with Cal Recovery and they are conducting some conceptual design work. At this point, they are almost complete with task one of the contract which is to provide detailed recommendations on facility sizing, process flow, and the layout. We have received a draft document that would provide us with that information. We are getting pretty close to where do need it to be site specific in order to move forward. The next tasks on that contract...

Ms. Yukimura: So you know what, since everybody wants to leave...can you provide the timetable for the MRF assuming site control?

Ms. Fraley:

Okay.

Ms. Yukimura: Are you guys actually waiting, somebody has said they will respond to the request from the County by a certain time?

Mr. Dill: We met with our State Legislators very recently about this, within the past couple of weeks. We are awaiting their response right now on the issue of the site control of the MRF in that location.

Ms. Yukimura: Okay. You know sometimes it helps to know what the Department of Transportation (DOT) really wants to see if they can find an alternative site. Why could they not move down a little further? Is that not DOT land too?

Mr. Dill: It is. I do not disagree with you. I think as they have shown with me, their goal is generally speaking to be in control of all lands around the airport. They just feel more comfortable with an airport vicinity that is under their control. I do not think that they are that specific, in my opinion.

Ms. Yukimura: Yes, they have a lot of land.

Mr. Dill: I do not disagree with you. They do have a lot of land. I am not real familiar with their needs and wants out there. It is my uneducated opinion that there is plenty of land out there that they need to accomplish their goals.

Ms. Yukimura: Alright. Thank you. Page 39. I want to understand Troy what you were trying to say. I think you were trying to explain the \$2.4 million plus figure from last year's budget to this year's budget. Is that correct? By saying that \$1.5 million of that is an increase in waste management?

Mr. Tanigawa: The \$2.43 or \$2.44 million dollar difference is made up of primarily increases in the budget amount for Kekaha Landfill operations. That is our contract with Waste Management. The financial assurance amount, that is the amount that we set aside based on the tonnage that goes into the Landfill. That is kept in a County account as a reserve for future landfill costs. The bulky item shredding...

Ms. Yukimura: How much is that?

Mr. Tanigawa: That is \$750,000 is the increase.

Ms. Yukimura: That is setting aside for eventual closure of the landfill?

Mr. Tanigawa: Yes.

Ms. Yukimura: Okay. That is additional to what we have been putting aside each year?

Mr. Tanigawa: Yes. That is a cumulative amount that has been building up over the years.

Ms. Yukimura: Then why is it showing up as a plus in the budget?

Mr. Tanigawa: What plus figure are you referring to?

Ms. Yukimura: Operations goes from \$6.3 million to \$8.7 million. Is that not what you are explaining to me? What the \$2.4 million is?

Mr. Tanigawa: Yes. What happened is, when you compare the amount set aside...the text item for financial assurance for Fiscal Year 2014 and you compare that with the figure that we are proposing this year, there is a big difference. The reason for the difference is...we saw a need to increase the rate at which we contribute to that fund.

Ms. Yukimura: Okay. Alright. I think Ernie and Steve explained that to me. We are boosting the amount over and above the amount that we normally set aside, correct?

Mr. Tanigawa: Yes.

Ms. Yukimura: That is because as we get closer, we can get better estimates of how much it is going to cost. In doing the estimates, is that correct? We are seeing that we need to boost the amounts so that by the time we have to close it, we will have the amount that we need?

Mr. Tanigawa: Yes.

Ms. Yukimura: Okay. So that is \$750,000 and you are going to tell me the other things that add up to \$2.4 million.

Mr. Tanigawa: Okay. The other item was \$240,000 more for our Kekaha Landfill operations contract.

Ms. Yukimura: \$240,000 you said?

Mr. Tanigawa: Additional.

Ms. Yukimura: Yes. Okay.

Mr. Tanigawa: So if you look at the text item in this year's budget it is \$2.4 million, compared to last year it was \$2 million.

Ms. Yukimura: Okay and why are we doing this?

Mr. Tanigawa: We anticipate additional costs. There is an increase to the unit price based on consumer price index. Like I mentioned earlier, the amount that we budgeted in the past for the various contract was reduced just to allow the contracts to expand into the fiscal year. It is the same for this contract. This is a full twelve month funding that we feel at a minimum we need to continue this contract through the fiscal year until we reach Fiscal Year 2016 funds.

Ms. Yukimura: I am getting the feeling like we did things in the last year's budget to look like we were reducing things but it was not real genuine reductions because it just got shoved into the next year because we actually needed the amount that we did not put in there.

Mr. Tanigawa: No, what it was is we had several months of overlap into the Fiscal Year, this current Fiscal Year, overlap as far as contract term. Now, from what we understood, we had to meet a certain budget amount so that we could reach a balanced budget. There was only so much money available.

Ms. Yukimura: Well, that is what I mean.

Mr. Dill: We did deliver the "short fund," we just funded enough to get us through the Fiscal Year because many of these contracts do not coincide with the Fiscal Years or did not in the past. We just funded them through the end of the

Fiscal Year and then into the next one a little bit in order to give us enough time to execute a new contract. I want to remind you that we did mention that at Council. Those were deliberate contentious things that were done and we have mentioned that at Council, that was the measure we were taking in order to save that money and when the next Fiscal Year came up and here we are now, we would have to budget for the entire twelve months in order to keep those contracts from lapsing.

Ms. Yukimura: Not you folks deceiving... but we are just deceiving ourselves, you know, by not really putting in the budget what we need. So, this is not anything out of the ordinary? It is not like Waste Management came and said that you owe us more because you are not reading the contract right, we need more per unit price, you can see here in the contract that we have a consumer price index increase and you have to increase it?

Mr. Tanigawa: We have some new equipment at the facility that has been upgraded.

Ms. Yukimura: But that is under “equip,” “vehicle equipment and leases” is another line item.

Mr. Tanigawa: It is another line item but as part of that landfill operating contract, we also saw some small increases for maintaining the updated equipment at the landfill. All those costs combined consumer price, the need to fully fund the contract for a full twelve months, and the additional equipment maintenance costs at the landfill, those costs combined to what we feel is a good budgetary estimate for the amount of money that we need to fund that contract.

Ms. Yukimura: What the thing I get is that this is an extremely complex contract and how are we going to manage the new landfill. I hope we are learning everything we can from this contract so that when we do a contract, if we are going to do a contract, I mean the other thing is to manage it in-house and good luck. But we already keep taking the liability, I think, or how do you divide all of this up and learn from all the difficulties that we may not have, and I take responsibility, I think the initial contract was probably my Administration but learning over these past twenty plus years about that contract, somebody should be gathering all that knowledge so that when we write up the next contract or do an RFP or whatever, we know what we are doing.

Mr. Dill: Your point is well taken, Councilmember, and I think that when the time comes and we have the opportunity to do things a little differently in framing that contract, we will certainly seek those opportunities.

Ms. Yukimura: Well, somebody should be writing it down because what if the people who are doing it are not here, then what?

Mr. Dill: Thank you. We will take note of that and do that.

Ms. Yukimura: So I got up to about a million, so where is the other two million?

Mr. Tanigawa: I do not if I mentioned the four hundred thousand dollars (\$400,000) text item for bulky items shredding.

Ms. Yukimura: What is that?

Mr. Tanigawa: What that involves is shredding bulky items that reduce our ability to efficiently compact the waste.

Ms. Yukimura: Too bad Councilmember Rapozo is not here. Is that not what he suggested?

Mr. Tanigawa: Well the thing is that it costs a lot of money.

Ms. Yukimura: Yes, it does. It is almost half a million dollars.

Mr. Dill: Along those lines, it is exactly along the lines... well I do not want to say “exactly” but along those lines with what Councilmember Rapozo was promoting. The difference is that the way it was originally presented to us was that we would do it for all the waste that comes into the landfill. We have been working with the contractor and now we are going to do it more selectively...

Ms. Yukimura: Very good.

Mr. Dill: So, we will take advantage of shredding the items that are most problematic for us where we will get the biggest bang for our buck. This is sort of a pilot program, if you will, to see how effective it can be.

Ms. Yukimura: It is kind of a difference between a dirty MRF...

Mr. Dill: In a way, yes.

Ms. Yukimura: Because you are more selective about what you apply the technology to.

Mr. Dill: Right.

Ms. Yukimura: What is the last half million? Oh no, it is another million that you have to account for.

Mr. Tanigawa: Councilmember Yukimura, you were talking about the bigger cost items and I can cover. There are some other small items that I did not cover but it amounts to about a hundred thousand dollars (\$100,000).

Ms. Yukimura: Yes.

Mr. Tanigawa: I will move on to the bigger more costly items.

Ms. Yukimura: A hundred thousand dollars (\$100,000) is a lot but compared to a million dollars (\$1,000,000), no.

Mr. Tanigawa: The Kaua‘i Recycles Program there is a big difference what we budgeted for last year and this year because this we are requesting a full twelve months worth of funding. That is four hundred twenty-five thousand dollars (\$425,000).



Ms. Yukimura: Is that the Kaua'i Recycles Program is the one on  
page 263 in our line item budget?

Ms. Fraley: It the first item on the Recycling Program.

Ms. Yukimura: So, that is "other services?"

Mr. Tanigawa: Other services, page 263.

Ms. Yukimura: Three million dollars (\$3,000,000)?

Ms. Fraley: Yes, that is total other services budget is three  
million dollars (\$3,000,000).

Ms. Yukimura: But compared to last year it is a million dollars  
(\$1,000,000) more?

Ms. Fraley: Yes and that is because of the short funding  
issue of various contracts within that budget.

Ms. Yukimura: Okay.

Mr. Tanigawa: So, you have the difference with dealing with the  
Kaua'i Recycles Program text item with four hundred twenty-five thousand dollars  
(\$425,000). We have fifty thousand dollars (\$50,000) difference for the recycling promotions  
text item.

Ms. Yukimura: Okay, so how much diversion is this line item of  
three million dollars (\$3,000,000) responsible for? Can you tell?

Ms. Fraley: Yes, I can give you that. Approximately twenty-  
six thousand (26,000) tons a year.

Ms. Yukimura: Twenty-six thousand (26,000)?

Ms. Fraley: Yes, a little less.

Ms. Yukimura: Out of your total recycle...

Ms. Fraley: And the total diversion rate is about fifty-six  
thousand (56,000) tons a year.

Ms. Yukimura: So, it is half?

Ms. Fraley: Yes. So private sector programs contribute to the  
remainder of that total diversion.

Ms. Yukimura: Okay. If we really stop these programs, we are  
going to really stop or harm our diversion effort?

Ms. Fraley: Yes, it would be cut by half.

Alright, thank you. I think that is all I have.

Councilmember Hooser.

Mr. Hooser: I want to say quit while we are ahead. I just had a fundamental question in terms of the percentage of the budget that is General funded and tipping fees, both percentages as well as the dollar amount. And the second question would be, if we wanted to fully fund it strictly through user fees, what kind of increase that would be? If you can answer now, I would appreciate that.

Mr. Tanigawa: Based on Fiscal Year 2014 numbers, thirteen million a one hundred twenty-one thousand (13,121,000) was the overall budget. We had six point three, three, seven million in revenue, so the percent of subsidy was fifty-one percent (51%).

What was the revenue?

Six point three, two, seven (6.327) million.

So, about half is General funded and half is...

Correct.

Mr. Hooser: And so to make the math easy, we would have to double our tipping fees to get a hundred percent (100%) funding?

Tipping fees, collection fees, across the board.

Mr. Hooser: (10%), five percent (5%)? And the proposed increase is? Ten percent

Mr. Tanigawa: Are you talking about the landfill tipping fee?  
One, nineteen would be...

Thirty-two percent (32%).

Mr. Hooser: So, we are asking for a thirty-two percent (32%) increase roughly?

Mr. Dill: But that is only landfill tipping fees which would only effects the commercial deliveries to the landfill. It does not address things like the residential refuse collection assessment, fees we generate at the transfer stations, so that is only one (1) component of our revenue stream. You would have to double all of those fees, again, your rough numbers like you said to achieve an enterprise fund.

Mr. Hooser: So, if it was all funded by user fees directly then that would freeze up six million dollars (\$6,000,000) for operating funds which is a significant amount of money but it is also a significant increase also. It is good information to have, so thank you very much. So, every dollar we increase tipping fees and other fees related to freeze up General funds? Okay, thank you very much.

Mr. Chock: Councilmember Yukimura.

Ms. Yukimura: Quick follow-up. The place where people do not pay anything for tossing is at the transfer station for residents, right?

Ms. Fraley: Well actually that is part of the base fee for the residential refuse collection assessment. It is six dollars (\$6.00) a month is the base fee that any property owes.

Ms. Yukimura: I see.

Ms. Fraley: And then if they want collection services, they will pay an additional six dollars (\$6.00) a month, for residents, yes.

Ms. Yukimura: Do you know how often an average person uses the transfer station for dumping?

Mr. Tanigawa: No, we do not keep those statistics.

Ms. Yukimura: It might likely be very modest, six dollars (\$6.00) if Tim is saying, in terms of actual cost of a truck load of garbage to be dropped at the transfer station.

Mr. Dill: Absolutely, yes.

Ms. Yukimura: Okay. An interesting factor that you mentioned, Allison, is that when you look at commercial versus residential, the diversion rate is about the same.

Ms. Fraley: Yes.

Ms. Yukimura: Even though the business community has pay-as-you-throw basically, the more you throw, the more you pay but their diversion rate is the same as a residence where that is not yet true until you go to pay-as-you-throw.

Ms. Fraley: Residents have access to County subsidize programs too, so that is probably why they have the higher... you know, rate that is the same.

Ms. Yukimura: Well it would be really wonderful when we can do curbside recycling, that should really boost our recycling rates.

Mr. Tanigawa: I think the commercial ban on different items: metals, cardboard, green waste, etc., has contributed significantly to that programs.

Ms. Yukimura: I am sure it has. So, we are really headed in the right direction but I think the quantum leap is going to be that MRF.

Ms. Fraley: Yes.

Ms. Yukimura: Thank you.

Mr. Chock: Councilmembers, any further questions?

Mr. Hooser: Just a follow-up, if I could?

Mr. Chock: Councilmember Hooser.

Mr. Hooser: Just to plant a seed or let you know where I am going with this, we are obviously in a bad, challenging...no, I should say "bad" budget situation. We are faced with those choices of raising various fees and taxes across the board in many areas. My personal preference is to focus on fees, charges, and taxes that could be passed on so if a commercial hauler have to pass it on to their customers, that kind of thing, rather than to residents who have no source of passing it on. I am going to sending over something that asks for, and you can maybe comment now, other sources of revenues besides tipping fees that fit into that which will not effect, let us say residents going to the transfer station to deposit their rubbish. Again, they have no way to pass that cost on. What other source of revenue and it will free up General fund money. So, besides the commercial tipping fee, what other fees could be passed on?

Mr. Dill: That would be one, Councilmember, that I prefer to respond in writing to put some good thought into the response.

Mr. Hooser: Okay, good. That is why I wanted to raise that question. I appreciate that. I acknowledge that it would take some thought. Thank you.

Mr. Chock: Councilmember Bynum, did you have something that you wanted to share?

Mr. Bynum: Really quick. Remember six (6), eight (8) years ago the transfer station in Kapa'a was just a disaster, remember that? It is awesome as of right now. The guys are proud, to drive up is clean and organized...I just wanted to say that...good job. I looked up this thing, when you go dump at Josephine County, Oregon, small pick up about twenty-five dollars (\$25.00), large pick up forty-five dollars (\$45.00), car tires two dollars fifty cents (\$2.50) each, truck tires five dollars (\$5.00). and the thought that you would dump trash on the side of the road would be considered a high crime there. It is not that big of an issue. It is people trash accumulated in other people's private property is the issue, right? Anyway, I just wanted to share that. Thank you. I am not proposing those fees, I am just saying to put it in context.

Mr. Chock: Councilmembers, any further questions? Seeing none, thank you for your budget presentation. I will call this section over. We are going into recess until tomorrow morning and take up Public Works – CIP projects.

There being no objections, the Committee recessed at 3:34 p.m.